



Asian Hotels (North) Limited



33rd

Annual Report 2013-2014



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ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Registered Office: Bhikaiji Cama Place, M. G. Marg,
New Delhi – 110066

Phone: 011 66771225/26; Fax: 011 26791033

Website: www.asianhotelsnorth.com

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NOTICE

Notice is hereby given that the 33rd Annual General Meeting of ASIAN HOTELS (NORTH) LIMITED will be held on Tuesday, the 30th September, 2014, at 11.30 a.m. at the Regency Ball Room, Hyatt Regency Delhi, Bhikaiji Cama Place, M. G. Marg, New Delhi-110066 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss for the year ended on that date along with the Auditors' Report and Directors' Report thereon.

2. To declare dividend.

The Board of Directors of the Company has recommended dividend of Re.1/- per equity share of Rs. 10/- each.

3. To appoint a Director in place of **Mr. Amritesh Jatia (DIN: 02781300)**, who retires by rotation and being eligible, offers himself for re-appointment.

4. Appointment of Auditors.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and rules made there-under, as amended or re-stated from time to time, **M/s. Mohinder Puri & Company**, Chartered Accountants (**Firm Registration No.: 000204N**), who hold office up to the date of this Annual General Meeting, and being eligible, offer themselves for re-appointment, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and rules made there-under, read with Schedule IV to the Act, as amended or re-stated from time to time, **Mr. Dinesh Chandra Kothari (DIN: 00195609)**, an independent non-executive director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as an independent director of the Company to hold office for a term of five consecutive years with effect from 30th September, 2014, up to 29th September, 2019, or the conclusion of the 38th annual general meeting of the Company, which ever is earlier."

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and rules made there-under, read with Schedule IV to the Act, as amended or re-stated from time to time, **Mr. Gautam Ramanlal Divan (DIN: 00001176)**, an independent non-executive director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as an independent director of the Company to hold office for a term of five consecutive years with effect from 30th September, 2014, up to 29th September, 2019, or the conclusion of the 38th annual general meeting of the Company, which ever is earlier."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and rules made there-under, read with Schedule IV to the Act, as amended or re-stated from time to time, **Dr. Lalit Bhasin (DIN: 00001607)**, an independent non-executive director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as an independent director of the Company to hold office for a term of five consecutive years with effect from 30th September, 2014, up to 29th September, 2019, or the conclusion of the 38th annual general meeting of the Company, which ever is earlier."

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and rules made there-under, read with Schedule IV to the Act, as amended or re-stated from time to time, **Mr. Priya Shankar Dasgupta (DIN: 00012552)**, an independent non-executive director of the Company, who has submitted a declaration that he meets

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the criteria of independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as an independent director of the Company to hold office for a term of five consecutive years with effect from 30th September, 2014, up to 29th September, 2019, or the conclusion of the 38th annual general meeting of the Company, which ever is earlier."

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Dipendra Bharat Goenka (DIN: 01969285), who was appointed as an additional director of the Company and whose term expires under Section 161(1) of the Companies Act, 2013 (the Act) at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as a director of the Company, liable to retire by rotation."

10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mrs. Archana Jatia (DIN: 00087401), who was appointed as an additional director of the Company and whose term expires under Section 161(1) of the Companies Act, 2013 (the Act) at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of director, be and is hereby appointed as a director of the Company, liable to retire by rotation."

11. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), as amended or re-stated from time to time, read with Article 115 of the Articles of Association of the Company, the consent of the Company be and is hereby accorded for the payment of remuneration to the non-executive directors, i.e. directors other than the managing director(s) and/or whole-time director(s), by way of commission on profit for a period of five years with effect from 1st April, 2014, in such a manner that the aggregate of commission payable to all such non-executive directors shall not exceed 1% of the net profits of the Company computed in the manner laid down in Section 198 of the Act, and with the liberty to the Board to vary the amount or proportion payable to each one of the non-executive directors every year provided that individually none of such directors shall receive a sum exceeding Rs. 5,00,000/- (Rupees five lac only) in respect of any financial year and shall be subject to deduction of tax, as applicable, and that such commission shall be exclusive of any fee payable to such directors for attending the meetings of the Board of Directors or Committees thereof, as the case may be, and reimbursement of expenses for participation in such meetings.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as may be required, considered necessary or incidental thereto to give effect to the aforesaid resolution, including settling any doubt or question which may arise while implementing the same."

By order of the Board
for **ASIAN HOTELS (NORTH) LIMITED**



Dinesh Kumar Jain
Vice-President (Corporate) &
Company Secretary
Membership No.: FCS 6224

Place: New Delhi
Date: 8th August, 2014

NOTES:

- 1) A statement under Section 102 of the Companies Act, 2013 (the Act), setting out the material facts concerning the special business listed at item nos. 5 to 11 is enclosed and forms part of this Notice.
- 2) Additional information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the ensuing annual general meeting, viz. brief resume detailing nature of expertise in specific functional areas, directorships and membership of committees held in other companies, shareholding interest in the Company and inter-se relationship amongst directors is given on page nos. 19 & 20, under the heading "Profile of Directors seeking appointment/re-appointment", as a part of Corporate Governance Report and should be construed as a part of this Notice.
- 3) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 4) Pursuant to Section 105 of the Act read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
- 5) The instrument of Proxy, in order to be effective, should reach the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions or authorizations, as applicable.

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- 6) Corporate Members intending to send their authorized representatives under Section 113 of the Act, are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting, together with duly certified signatures of such representatives.
- 7) All documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company during business hours between 10.00 a.m. and 5.00 p.m. on all working days till the date of the ensuing annual general meeting.
- 8) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 27th September, 2014, to Tuesday, the 30th September, 2014, inclusive of both days.
- 9) Dividend, if declared by the Company in the Annual General Meeting, will be paid to those members or to their mandates whose names stand registered as:
 - a) Beneficial owners as at the end of business hours on Friday, the 26th September, 2014, as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form, and
 - b) Members whose names stand in the Register of Members of the Company, after giving effect to valid share transfers in physical form lodged with the Company, as at the end of business hours on 26th September, 2014.
- 10) Dividend amount which remains unpaid / unclaimed for a period of seven years in terms of Section 205A of the Companies Act, 1956, is liable to be transferred by the Company to the credit of Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C thereof. The Company has already served reminders to shareholders individually, from time to time, in respect of unpaid / unclaimed dividends, which were declared and paid during past seven years. Therefore, shareholders who have not received and / or en-cashed dividend warrant(s) for any of the previous seven years are specifically requested to apply for duplicate dividend warrant(s) by writing to the Company or Karvy Computershare Private Limited (Karvy), the Company's Registrar & Transfer Agent, quoting their Folio No. / Client ID No., number of shares held etc. Attention of the members is also drawn to the fact that unpaid / unclaimed amounts pertaining to the final dividend for the financial year 2006-07 are due for transfer to the IEPF, and therefore, any claim in respect thereof should be lodged before 21st September, 2014.
- 11)
 - a) Members are requested to notify change, if any, in their e-mail ID and / or mailing address including pin code, quoting their folio number to the Registrar & Transfer Agent or the Company.
 - b) Members holding shares in electronic form should notify any change in their e-mail ID, mailing address including pin code, bank details etc., directly to their respective Depository Participants.
- 12) Non-Resident Indian shareholders are requested to inform changes, if any, in their residential status and / or particulars of NRE Bank Account maintained in India, along with name and complete address of the Bank to the Registrar & Transfer Agent or the Company.
- 13) The Securities and Exchange Board of India has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever requisite bank details are available. Accordingly, in such cases, dividend shall be deposited directly to the respective bank accounts.

Members holding shares in physical form are also requested to register their mandate for transfer of dividend through NECS. Separate communication in this respect has been sent again to such shareholders recently along with the Notice of Postal Ballot dated 24th July, 2014.

Further, members holding shares in electronic form should notify changes in their bank account details, if any, directly to their respective depository participants.

In the absence of NECS facilities, the Company prints the bank account details, if available, on the dividend warrant to avoid any fraudulent encashment of warrants.
- 14) Electronic copy of Annual Report 2013-14 including the Notice of the 33rd Annual General Meeting of the Company detailing inter-alia the process and the manner of e-voting, is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participants unless any member has specifically requested for a physical copy. Despite having registered their e-mail IDs for receiving communications in electronic form, the Company shall be pleased to provide physical copies, if requested. The members may register their request for physical copies or any other communication or grievance on the Company's e-mail ID investorrelations@ahlnorth.com. Those who have not registered their e-mail IDs, physical copies of the said Annual Report are being sent to them through registered post.
- 15) Annual Report 2013-14 including the Notice of the 33rd Annual General Meeting of the Company detailing inter-alia the process and the manner of e-voting, shall also be available on the Company's website www.asianhotelsnorth.com and may be accessed or downloaded there-from.
- 16) **Members who have not registered their e-mail IDs are requested to register / update the same with their Depository Participants or the Registrar & Transfer Agent, as the case may be, to promote the green initiative and thus, help preserve the environment.**
- 17) Annual Report 2013-14 including the Notice of the 33rd Annual General Meeting is being mailed to all the members, whose names appear in the Register of Members / list of beneficial owners as furnished by the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on Friday, the 29th August, 2014, and voting rights shall be reckoned on the paid-up value of shares registered in the name of the shareholders as on that date in respect of the resolutions proposed herein.

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- 18) In compliance with the provisions of Clause 35B of the Listing Agreement and Section 108 of the Act read with Rule 20 of The Companies (Management & Administration) Rules, 2014, the Company is pleased to provide to the members the facility to exercise their right to vote in respect of the business placed at the 33rd Annual General Meeting through e-voting platform provided by Karvy.
- 19) **Instructions for e-voting:**
- A. Members whose e-mail IDs are registered with the Company / Depository Participants, on receiving an e-mail from Karvy should:
- Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - Enter the Log-in Credentials i.e., **User ID and initial password** as detailed in the Admission Slip cum E-voting Advice appended along with this Annual Report. Your Folio No. / DPID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - After entering these details appropriately, click on "LOGIN".
 - You will now reach password change Menu wherein you are required to compulsorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$ etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - You need to log-in again with the new credentials.
 - On successful log-in, the system will prompt you to select the "EVENT" i.e. Asian Hotels (North) Limited.
 - On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
 - Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - You may then cast your vote by selecting an appropriate option and click on "Submit".
 - A confirmation box will then be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can log-in any number of times till they have voted on the resolutions.
 - Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution, Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID sankara@cacsindia.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Asian Hotels (North) Limited EVENT NO. _____"
- B. The e-voting period commences on Wednesday, the 24th September, 2014, at 9.00 a.m. and ends on Friday, the 26th September, 2014, at 6.00 p.m. During this period, the members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date, being Friday, the 29th August, 2014, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- C. In case of any query pertaining to e-voting, please visit Help & FAQs section of <https://evoting.karvy.com> (Karvy's website) or contact Karvy at Telephone No.: 1800 345 4001 (toll-free).
- D. The voting rights of the members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date, i.e. Friday, the 29th August, 2014.
- E. The Board of Directors of the Company, at its meeting held on 8th August, 2014, has appointed Dr. S. Chandrasekaran, Senior Partner, M/s Chandrasekaran Associates, Company Secretaries, as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. The Scrutinizer shall, within a period of not exceeding three (3) working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will prepare the Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the Company at the Annual General Meeting.
- F. The result of e-voting shall be declared within the time period stipulated under the relevant provisions of the Act, and shall be notified to the Stock Exchanges, uploaded on the Company's website and also published in the newspapers.

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STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS, FORMING PART OF THE NOTICE

Item Nos. 5 to 8

In pursuance of Clause 49 of the Listing Agreements entered into with the Stock Exchanges, Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan, Dr. Lalit Bhasin and Mr. Priya Shankar Dasgupta were appointed as Independent Non-Executive Directors, who were liable to retire by rotation in terms of Section 256 of the Companies Act, 1956.

However, in terms of the newly introduced provisions of Section 149 read with Section 152 of the Companies Act, 2013 (the Act) which came in to effect from 1st April, 2014, the independent directors are not liable to retire by rotation and may be appointed to hold office for a term up-to five consecutive years.

Each of the above named directors has furnished requisite declaration to the Board of Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and that they shall abide by the Code for Independent directors as detailed in Schedule IV to the Act.

The appointment of the above named persons, i.e. Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan, Dr. Lalit Bhasin and Mr. Priya Shankar Dasgupta as independent directors was individually placed before the Nomination & Remuneration Committee of the Board, which considered each of the proposals keeping in view their respective background, experience and credentials, and recommended to the Board to consider and place appropriate resolutions for their respective appointment before the shareholders.

Based on the recommendations of the Nomination & Remuneration Committee, the Board in its meeting held on 8th August, 2014, considered the above proposals and concluded that in its opinion, each one of Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan, Dr. Lalit Bhasin and Mr. Priya Shankar Dasgupta fulfils the conditions specified in the Act and rules made there-under for such appointment as they are independent of the management.

In view of the above back-drop and also considering the contribution and services provided by the above-named existing Directors, the Board has considered it appropriate to propose respective appointment of Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan, Dr. Lalit Bhasin and Mr. Priya Shankar Dasgupta as independent director for a period of five years from 30th September, 2014, up-to 29th September, 2019, or the conclusion of the 38th annual general meeting of the Company, whichever is earlier.

The draft terms and conditions of appointment of the above Directors shall be open for inspection by the members at the Registered Office of the Company during business hours between 10.00 a.m. and 5.00 p.m. on all working days till the date of the ensuing annual general meeting.

Except Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan, Dr. Lalit Bhasin and Mr. Priya Shankar Dasgupta, none of the other directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financial or otherwise in the respective resolutions at Item Nos. 5, 6, 7 and 8 of the accompanying Notice.

Your directors are of the opinion that it will be in the Company's interest to have their continued association with the Company, and therefore, recommend to approve the respective resolutions at Item Nos. 5, 6, 7 and 8 of the accompanying Notice.

The brief profile of the directors proposed to be appointed is given below:

MR. DINESH CHANDRA KOTHARI (Item no. 5)

Mr. Dinesh Chandra Kothari initially joined the Board of Directors of the Company on 12th February, 2010, as an additional director, and continues to hold the office of independent non-executive director since then.

Mr. Dinesh Chandra Kothari is a Chartered Accountant having over 40 years of experience in financial services, corporate and financial structuring and analysis of projects for financial assistance and initial public offering. He started his career with Merchant Banking Division of ICICI Limited. Later, he worked as the Executive Director of Bukhatir Group of Companies, Sharjah, U.A.E. for twelve years before setting-up his corporate consultancy and advisory services. Mr. Kothari is on the Boards of various prominent domestic companies, viz., Aro Granite Industries Limited, Ester Industries Limited, Interstar Financial Services Limited, Holcim (India) Private Limited, New Delhi Corporate Consultancy Private Limited, Sarla Holdings Private Limited, Interstar Home Decor Private Limited, Intertec Softwares Private Limited, Kothari Education Infrastructure Private Limited and Shugan Chandra Kothari Educational Foundation. He is also the Chairman & Managing Trustee of Shugan Chandra Kothari Trust.

MR. GAUTAM RAMANLAL DIVAN (Item no. 6)

Mr. Gautam Ramanlal Divan initially joined the Board of Directors of the Company on 12th February, 2010, as an additional director, and continues to hold the office of independent non-executive director since then.

Mr. Gautam R. Divan is a Fellow Member of the Institute of Chartered Accountants of India and a Partner of M/s. Rahul Gautam Divan & Associates, Chartered Accountants. He has wide experience in financial and taxation planning for individuals and limited companies, auditing the accounts of large public limited companies and nationalized banks and structuring overseas investments to and from India. Mr. Divan had earlier served on the Board of HDFC Bank Limited and HDFC Standard Life Insurance Company Limited. Presently, he holds directorships in Baltic Consultancy and Services Private Limited, Serendib Investments Private Limited, Chandabhoy and Jassoobhoy Consultants Private Limited and Mahindra Asset Management Company Private Limited.

He is a member of the International Fiscal Association and Indian Management Association.

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DR. LALIT BHASIN (Item no. 7)

Dr. Lalit Bhasin initially joined the Board of Directors of the Company on 24th May, 2000, and continued to hold the office of director up to 11th February, 2010, as he resigned after the Scheme of Arrangement and De-merger becoming effective as on that date. However, he was again appointed on 12th February, 2010, as an additional director, and thereafter continues to hold the office of independent non-executive director.

Dr. Lalit Bhasin is a distinguished lawyer with over five decades of law practice. He is the Managing Partner of M/s Bhasin & Co., Advocates. He started his law practice in 1962 and has developed Bhasin & Co. as one of the leading law firms in north India. His areas of specialization include Employment & Labour Laws, Corporate Law (Formation of Joint Venture Companies, Foreign Collaborations, Amalgamations, Mergers, Acquisitions, Disinvestment); Laws relating to Information Technology; Contract and Conveyance; Sports Law; Entertainment & Media Laws; Constitutional Law; Banking and Finance; Consumer Protection Laws; Disputes relating to foreign investment e.g. Shareholders Agreements, Collaboration Agreements, Agency and Distribution Agreements, Technology Transfer Agreements and Dispute Resolution Practice.

Dr. Bhasin holds directorships in many prominent companies, viz., Godfrey Philips India Limited, Bharat Hotels Limited, Modicare Limited, Apollo Zipper India Limited, Urban Infrastructure Trustees Limited, Ansal Properties and Infrastructure Limited, Omax Autos Limited, Asian Hotels (West) Limited, Leading Hotels Limited and United Breweries Holdings Limited.

He is the President of The Society of Indian Law Firms, Vice-President of Bar Association of India, Chairman of Services Export Promotion Council, President of India Society for Afro-Asian Studies and Chairman of Film Certification Appellate Tribunal. In addition to the above, he is associated with many business, trade and professional bodies.

MR. PRIYA SHANKAR DASGUPTA (Item no. 8)

Mr. Priya Shankar Dasgupta initially joined the Board of Directors of the Company on 11th November, 2010, as an additional director, and continues to hold the office of independent non-executive director since then.

Mr. Dasgupta is the Senior Partner of a leading law firm in Delhi, namely M/s. New Delhi Law Offices, since 1991. He has extensive practice especially in Conveyancing, Structuring and negotiation of Joint Ventures and Foreign Collaborations; Corporate Laws, Foreign Exchange, Antitrust and Mercantile Laws; Project Contracts and Construction Contracts; Acquisitions and Domestic and International Arbitrations.

Mr. Dasgupta is on the Board of various prominent companies, viz., Cummins India Limited, Otis Elevator Company India Limited, Maral Overseas Limited, Bhilwara Technical Textiles Limited, RSWM Limited, Tricone Projects India Limited, Ester Industries Limited, Timken India Limited, Interstar Financial Services Limited, Snap-on Tools Private Limited, Holcim (India) Private Limited, Dasgupta Consulting Private Limited, NDLO Consulting Private Limited, Kothari Education Infrastructure Private Limited, Afforce Business Consulting Private Limited and Shugan Chandra Kothari Educational Foundation. He is also a trustee of Shugan Chandra Kothari Trust and member of the management board of Delhi Public School, Jodhpur.

Item No. 9

Mr. Dipendra Bharat Goenka was appointed as an additional director of the Company on 26th March, 2014. He has been co-opted as a non-executive promoter director.

After graduating from the University of Southern California in 1989, Mr. Goenka started a clothing manufacturing company Modest Garments, with offices in Paris and manufacturing in Bombay. After running it successfully until 2000, he then bought an Australian trading company, Best Corporation and moved to Melbourne.

In 2001, he started a global manufacturing and supply company based in Hangzhou, China called Indochine Group. Today Indochine Group has factories in China, Vietnam, Cambodia and Bangladesh and a sales office in UK, USA, Germany, South Africa and Australia.

In 2006, Mr. Goenka started Forever New, a young ladies retail brand of which he is currently CEO. Forever New has 290 stores across ten different countries.

He holds directorships in many overseas companies.

The appointment of Mr. Goenka was placed before the Nomination & Remuneration Committee of the Board, which considered the proposal keeping in view his entrepreneurial skills and vast experience in managing a large chain of retail stores spread over the globe, and recommended to the Board to consider and place appropriate resolution for his appointment before the shareholders.

Based on the recommendations of the Nomination & Remuneration Committee, the Board in its meeting held on 8th August, 2014, considered the above proposal and concluded that in its opinion, Mr. Goenka is an appropriate candidate for the office of director.

In view of the above back-drop, the Board has considered it appropriate to propose the appointment of Mr. Dipendra Bharat Goenka, as a director liable to retire by rotation in pursuance of Section 152 of the Act.

Except Mr. Goenka, none of the other directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financial or otherwise in the respective resolution at Item No. 9 of the accompanying Notice.

Your directors are of the opinion that it will be in the Company's interest to have his continued association with the Company, and therefore, recommend to approve the resolution at Item No. 9 of the accompanying Notice.

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Item No. 10

Mrs. Archana Jatia was appointed as an additional director of the Company on 8th August, 2014. She has been co-opted as a non-executive promoter director.

Mrs. Jatia is a graduate, and is holding directorships in many companies, viz., WEL Intertrade Private Limited, Charmaine Personality Development Private Limited, RSJ Developers Private Limited, Sun Media Private Limited, Scotts India Private Limited, Rose Serviced Apartments (I) Private Limited, Asian Holdings Private Limited, Eternal Healthcare Solutions Private Limited and Prudential Hotels Private Limited.

The appointment of Mrs. Jatia was placed before the Nomination & Remuneration Committee of the Board, which considered the proposal keeping in view her experience in managing business of the above named companies, and recommended to the Board to consider and place appropriate resolution for her appointment before the shareholders.

Based on the recommendations of the Nomination & Remuneration Committee, the Board in its meeting held on 8th August, 2014, considered the above proposal and concluded that in its opinion, Mrs. Jatia is an appropriate candidate for the office of director.

In view of the above back-drop, the Board has considered it appropriate to propose the appointment of Mrs. Archana Jatia, as a director liable to retire by rotation in pursuance of Section 152 of the Act.

Except Mrs. Archana Jatia, Mr. Shiv Kumar Jatia and Mr. Amritesh Jatia, being related inter-se, none of the other directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financial or otherwise in the respective resolution at Item No. 10 of the accompanying Notice.

Your directors are of the opinion that it will be in the Company's interest to have her continued association with the Company, and therefore, recommend to approve the resolution at Item No. 10 of the accompanying Notice.

Item No. 11

The Company in the extra-ordinary general meeting held on 12th July, 2010, had pursuant to Sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, approved by a special resolution, the payment of remuneration by way of commission to the non-executive directors of the Company, of a sum not exceeding 1% of the net profit of the Company, calculated in accordance with the provisions of the Companies Act, 1956, for a period of five years effective 1st April, 2009.

In view of the above, it is proposed to continue the payment of remuneration by way of commission to the non-executive directors of the Company for further period of five years effective 1st April, 2014, of a sum not exceeding 1% of the net profit of the Company, calculated in accordance with Section 197 read with Section 198 and other applicable provisions of the Companies Act, 2013. This remuneration shall be distributed amongst the non-executive directors of the Company with the liberty to the Board to vary the amount or proportion payable to each one of them every year provided that individually none of such directors shall receive a sum exceeding Rs. 5,00,000/- (Rupees five lac only) in respect of any financial year and shall be subject to deduction of tax, as applicable, and that such commission shall be exclusive of any fee payable to such directors for attending the meetings of the Board of Directors or Committees thereof, as the case may be, and reimbursement of expenses for participation in such meetings.

All non-executive directors (viz. Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan, Dr. Lalit Bhasin, Mr. Priya Shankar Dasgupta, Mrs. Archana Jatia, Mr. Dipendra Bharat Goenka and Mr. Amritesh Jatia) may be considered directly concerned or interested, and Mr. Shiv Kumar Jatia, Chairman & Managing Director, being a relative of two of such directors (viz. Mrs. Archana Jatia and Mr. Amritesh Jatia) may be considered indirectly concerned or interested in the resolution set out at Item no. 11 to the extent of the remuneration such non-executive directors may become entitled to. None of the key managerial personnel of the Company or their respective relatives is concerned or interested in the resolution at Item no. 11 of the accompanying Notice.

By order of the Board
for **ASIAN HOTELS (NORTH) LIMITED**



Dinesh Kumar Jain
Vice-President (Corporate) &
Company Secretary
Membership No.: FCS 6224

Place: New Delhi
Date: 8th August, 2014

ASIAN HOTELS (NORTH) LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to submit their 33rd Report together with the Audited Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS (on stand-alone basis)

(Rupees in Crores)

	FY 2013-14	FY 2012-13
Revenue from Operations (Net)	227.76	215.83
Other Income	65.14	50.52
Profit Before Interest, Depreciation & Prior period adjustments	127.78	108.85
Interest & Finance charges	73.42	52.33
Depreciation & Amortisation	11.43	11.96
Prior Year Adjustments	0.08	0.11
Provision for impairment on value of investment	51.20	0.00
Profit/(Loss) Before Tax	(8.34)	44.45
Provision for Taxation (Net)	15.32	15.00
Net Profit/(Loss)	(23.66)	29.45
Surplus Brought Forward	185.19	161.02
Profit Available for Appropriation	161.53	190.47
Transfer to General Reserve	0.00	2.94
Proposed/Paid Dividend - Preference Shares	0.00	0.05
Proposed Dividend – Equity	1.95	1.95
Corporate Dividend Tax	0.33	0.34
Surplus Carried Forward	159.25	185.19
Earning per share - Basic & Diluted (Rs.)	(12.16)	15.11

Despite marginal decrease in the room revenue, total net revenue from operations for the financial year 2013-14 was Rs. 227.76 crore as against Rs. 215.83 crore in the prior year, a moderate increase of 5.5%. Though the occupancy levels increased as compared to the prior year, the room revenue declined primarily due to a significant drop in the average room rate during the year under review.

Revenue from Food & Beverage in the year under review registered a significant increase of 15.9% over the prior year. With the completion of the Expansion Project and the new banquet facility namely, "The Mansion" becoming operational from August 2014, your Directors expect revenue from Food & Beverage to further improve in the current year. This will also have a positive impact on room occupancy and improve overall revenue too.

Other income during the year under review was Rs. 65.14 (prior year Rs. 50.52 crore) which included gain on foreign currency transactions and translation (other than considered as finance cost) of Rs. 26.16 crore (prior year Rs. 28.43 crore); net gain on sale of Fixed Assets of Rs. 26.83 crore (prior year – nil) and interest income of Rs. 7.83 crore on loan extended to the overseas subsidiary (prior year Rs. 19.84 crore).

As regards the Auditors' observation in para 16 of the Annexure to their Report, your Directors wish to clarify that the Company has availed a term loan of Rs. 30 crore and placed it in a fixed deposit as security for a loan availed by Leading Hotels Limited, a subsidiary of the Company as the subsidiary is still at a nascent stage and is trying to tie-up project loans on its own. Further, with regard to the Auditors' observation in para 17 of the Annexure to their Report, your Directors wish to clarify that due to the Expansion project (now complete), the Company temporarily utilized certain short-term funds for repayment of long-term loans and interest thereon to meet the temporary cash flow mismatch. The said short-term loans are being re-paid as per respective repayment schedule.

Your Directors are confident that the Company has adequate arrangements to meet its liabilities in time.

DIVIDEND

Your Directors are pleased to recommend a dividend of Re. 1.00 per equity share.

FOREIGN EXCHANGE RECEIPTS

The Company's earnings in foreign exchange for the year under review amounted to Rs. 140.94 crore [including interest income of Rs. 7.83 crore (prior year Rs. 19.84 crore) from an overseas subsidiary] as compared to Rs. 153.15 crore during the prior year.

CAPITAL STRUCTURE

An amount of Rs. 44.10 crore towards redemption of 49,00,000 1% Non-convertible Preference Shares due on 30th June, 2013, was duly discharged.

There is no other change in the Company's capital structure since the last report.

Un-claimed Shares

In terms of Clause 5A.II of the Listing Agreement, the details of Unclaimed Shares are as under:

Status	No. of holders whose shares are marked as un-claimed	No. of shares marked as un-claimed
Status of un-claimed shares as of the date of last Directors' report	857	72720
No. of claims settled and shares released to the rightful claimants since then*	3	1120
Balance un-claimed shares as on date	854	71600

* A total of 18 claims for 1742 shares are pending for want of proper documents/supports from the investors since shares were transferred to Un-claimed Suspense Account. These include 2 claims for 140 shares received during the year under review.

These un-claimed shares are held in a separate demat account entitled "Asian Hotels (North) Limited – Un-claimed Suspense Account" with Karvy Stock Broking Limited.

ASIAN HOTELS (NORTH) LIMITED

PROMOTERS

The Company is controlled by the Jatia Group, comprising inter-alia Mr. Shiv Kumar Jatia, Mr. Amritesh Jatia and in turn companies controlled by them namely Fineline Holdings Ltd., Yans Enterprises (H.K.) Ltd. and Asian Holdings Pvt. Ltd. Such persons directly or indirectly own and control various operating companies of the Jatia Group viz Asian Hotels (North) Limited (AHNL) and Leading Hotels Limited (Leading). All the said constituents singularly and collectively, including the operating companies comprise Jatia Group. Some of the said constituents exercise control over the Company as directors and / or shareholders.

EXPANSION PLANS / FUTURE PROSPECTS

Hotel Suites (Serviced Apartments) Project

Your Directors are pleased to report that during the year under review the Hotel Suites (Serviced Apartments) Project comprising the new stand-alone tower having serviced apartments and commercial space has been completed and capitalized. During the year under review, the Company sold certain commercial areas comprised in four floors and a part of the ground floor of this new stand-alone tower. Further, during the current financial year the Company has sold certain additional commercial areas comprised in two floors, and has leased out / committed to lease out certain residential apartments on long term lease.

The Company intends to sell or lease out rest of the floors / areas with a primary objective of utilizing the proceeds thereof to reduce the Company's overall debt and has already initiated a postal ballot process vide Notice of Postal Ballot dated 24th July, 2014 to obtain your approval under Section 180(1)(a) of the Companies Act, 2013 (the Act).

Renovation and Expansion Project

Your Directors are pleased to inform that the new Ball Room namely 'The Mansion' has been completed and all requisite approvals have been received. Accordingly, the banqueting facilities at the ground floor have become operational from August 2014. A whole new concept of live kitchen stations has been introduced. However, the first floor of the new Ball Room having meeting rooms shall be operational by the end of 2014.

Kolkata Project

Your Directors are pleased to inform that a six acre plot of land acquired from West Bengal Housing Infrastructure Development Corporation Limited (WBHIDCO) for constructing a hotel with permissible commercial space in New Town, Kolkata has been registered in the name of the Company. However, given the current economic scenario and the Company's liquidity position, it does not seem viable to develop the said property independently. Hence it is proposed to sell and transfer the land to a wholly owned subsidiary namely, New Town Hospitality Private Limited and develop the project as a joint venture or through any other viable business model. Postal ballot process initiated vide Notice of Postal Ballot dated 24th July, 2014 includes a suitable proposal in this respect also.

INVESTMENTS / SUBSIDIARIES

Your Company's exposure in its wholly owned overseas subsidiary namely, Fineline Hospitality and Consultancy Pte. Ltd., Mauritius (FHCPL) as on 31st March, 2013, comprised of the following:

- 11910114 ordinary shares (100% of its equity) of No Par Value of USD 1,08,49,054;
- 10193679 5% Cumulative Redeemable Preference Shares of USD 1 each (CRPS) amounting to USD 1,01,93,679; and
- Foreign Currency Loan of USD 7,67,82,214 and interest accrued thereon up to 31st March, 2013 of the sum of USD 54,22,095.

At the request of FHCPL, the interest accrued on the loan up to 31st March, 2013, and a part of the loan to the extent of USD 3,17,28,851 aggregating to USD 3,71,50,946 were utilized for acquiring 36089886 further ordinary shares of No Par Value in FHCPL as on 1st April, 2013.

Further, on 14th November, 2013, the balance outstanding loan of USD 4,50,53,363 and interest accrued thereon from 1st April, 2013 to that date amounting to USD 12,42,219 aggregating to USD 4,62,95,582 were utilized for acquiring 46295582 ordinary shares of No Par Value.

Consequent to the above, your Company holds 94295582 ordinary shares of No Par Value amounting to USD 9,42,95,582 and 10193679 CRPS amounting to USD 1,01,93,679.

Your Company holds 100% equity as well as preference capital in FHCPL. FHCPL holds 80% equity stake in Lexon Hotel Ventures Ltd., Mauritius (Lexon), and Lexon in turn holds 99.76% equity stake in Leading Hotels Limited (Leading), an Indian subsidiary.

Thus FHCPL has 79.81% economic interest in Leading.

Leading is developing an all villa hotel complex, including residential villas and a 18 hole, 72 par championship golf course in Goa for which it has acquired substantial parcels of land. Leading has already obtained substantial permissions/approvals from various government authorities and the rest are in pipeline. Your Directors expect construction of sample villa to commence by the year end. Leading is in advanced negotiations with its bankers for the project loan.

The said project will be under the management of Four Seasons, a world famed hotel chain and Hospitality Management Company.

In addition to the above, the Company has recently acquired a wholly owned subsidiary namely New Town Hospitality Private Limited, and as mentioned hereinabove, the Company proposes to transfer the six acre plot of land acquired in New Town, Kolkata to this subsidiary for development of a hotel as a joint venture (JV) or through any other viable business model. The Company is already in dialogue with prospective JV partners.

Consolidated Financial Results

In pursuance of General Circular No. 2/2011 dated 8th February, 2011, issued by the Ministry of Corporate Affairs, Government of India, your Directors have opted to avail of the general exemption granted under Section 212(8) of the Companies Act, 1956 from attaching individual balance sheet, statement of profit & loss and reports of the Board of Directors and Auditors of the subsidiaries along with the holding company's balance sheet.

In view of the above, your directors have presented the stand-alone financial statements of the Company; and consolidated financial statements comprising financials of the Company and its subsidiaries, as part of this Annual Report.

Individual balance sheet, statement of profit & loss, report of Board of Directors and report of Auditors of each of the subsidiaries are open for inspection by the shareholders at the registered office of the Company and its subsidiaries' respectively, copies of which may be furnished, if desired by any shareholder.

AUDITORS

M/s. Mohinder Puri & Company, Chartered Accountants, New Delhi, the present auditors of the Company, retire at the forthcoming Annual General Meeting and are eligible for re-appointment. They have certified that they are eligible for appointment as statutory auditors and their appointment, if made, will be in accordance with the limits specified under Section 139 of the Act.

The Audit Committee has recommended their re-appointment.

INTERNAL AUDIT

During the year under review, M/s. S. S. Kothari Mehta & Co., Chartered Accountants, New Delhi, the internal auditors of the Company conducted periodic audits of the operations of the Company.

ASIAN HOTELS (NORTH) LIMITED

The Audit Committee regularly takes stock of the actions taken on the observations and recommendations made by the Internal Auditors. Your Directors are confident that there are adequate internal control systems and procedures which are being followed and complied with.

SECRETARIAL AUDITORS

In compliance with Section 204 of the Act, the Company has appointed Dr. S. Chandrasekaran, Senior Partner, M/s Chandrasekaran Associates, Company Secretaries, as Secretarial Auditors for the financial year 2014-15.

DIRECTORS

Mr. Ramesh Jatia vacated the office of director with effect from 7th November, 2013, pursuant to Section 283(1)(g) of the Companies Act, 1956.

Mr. Dipendra Bharat Goenka was appointed as an additional director effective 26th March, 2014, in pursuance of Section 161(1) of the Act read with Article 107(a) of the Articles of Association of the Company.

Subsequent to the year under review, Mrs. Archana Jatia was also appointed as an additional director effective 8th August, 2014, in pursuance of Section 161(1) of the Act read with Article 107(a) of the Articles of Association of the Company to comply with Section 149(1) of the Act.

In accordance with the provisions of Section 152 of the Act and Article 116 and Article 117 of the Article of Association, Mr. Amritesh Jatia retires by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment.

In terms of Section 149 read with Section 152 of the Act, which came in to effect on 1st April, 2014, an independent director is not required to retire by rotation, and may be appointed for a term of up-to five consecutive years on the Board of the Company. In view of the above, it is proposed to appoint the existing independent non-executive directors namely, Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan and Mr. Priya Shankar Dasgupta respectively for a term of five years from the conclusion of the 33rd annual general meeting scheduled to be held on 30th September, 2014 to 38th annual general meeting or up to 29th September, 2019, whichever is earlier.

The Company has received separate notices under Section 160 of the Act proposing the candidature of Mr. Dipendra Bharat Goenka, Mrs. Archana Jatia, Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan and Mr. Priya Shankar Dasgupta for the office of director, and therefore, appropriate proposals have been included in the agenda for the forthcoming annual general meeting for your consideration. The Nomination & Remuneration Committee has reviewed and recommended their respective appointments.

Further, a proposal enabling the Company to pay commission on profit to non-executive directors for a five year period beginning 1st April, 2014, has been included in pursuance of Section 197 read with Section 198 of the Act for your consideration.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors confirm as under:

- that in the preparation of annual accounts for the year ended 31st March, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the loss of the Company for that year;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the annual accounts on a going concern basis.

Significant accounting policies followed by the Company, and the required disclosures are detailed in the Notes to the Financial Statements.

INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

The information required in terms of Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, pertaining to the conservation of energy, technology absorption, and foreign exchange earnings and outgo, to the extent possible in the opinion of your Directors, and forming part of this Report, is given in Annexure 'A'.

PARTICULARS OF EMPLOYEES

The information pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and forming part of this Report, is given in Annexure 'B'.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Corporate Governance Report, together with Auditors' Certificate thereon, is annexed hereto as Annexure 'C' and 'D' respectively.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formed the Corporate Social Responsibility (CSR) Committee of the Board of Directors, which has been entrusted the task of formulating a CSR policy with a major focus on promoting education, healthcare & sanitation, and waste management, pollution control and environment protection.

Your Company's hospitality undertaking i.e. Hyatt Regency Delhi takes regular initiatives for community services by engaging in volunteer work with organizations like Tamana, Ashray Bhawan, Sallam Balak Trust, Aarohan, CanSupport to name a few. The Company through the Hyatt Thrive corporate social responsibility platform assisted non-profitable organizations in organizing wellness awareness run, hosting a blood donation camp, hygiene and hospitality camp and supporting causes espoused by these organizations.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report is given below:

Industry Structure & Developments and Opportunities & Outlook

Industry sources indicate that the domestic tourism continues to remain robust, but the international tourism has not been good in the past years. With an increase in the crime rate in the country, especially against women, the international arrivals are adversely impacted. While the overall demand remains, at the best, stable, the increase in supply of rooms in the NCR, would continue to adversely affect the average room rate.

Threats, Risks and Concerns

Domestic insurgency, terrorism, global geo-political situations and slow down of world economy are major concerns for the hospitality industry at macro level.

ASIAN HOTELS (NORTH) LIMITED

In the last couple of years, a number of hotels have come up in Delhi and its neighbourhood and a few more are likely to open shortly, including those in the Aerocity, Delhi. The increased inventory of rooms is likely to impact the occupancy level as well as average room rate, thus posing a challenge to the existing hotels in the said region.

Review of Operational and Financial performance

The Company achieved aggregate revenue from operations of Rs. 227.76 crores for the year ended 31st March, 2014. Said revenue in the prior year was Rs. 215.83 crores.

During the year under review, the occupancy level improved but the average room rate dropped impacting the overall profitability.

Segment wise performance

During the year under review, your Company operated an integrated hotel business at only one location i.e. New Delhi. Power generation, the other business segment being pursued by the Company is governed by a different set of risks and returns. Your Company has two Wind Turbine Generators (WTGs) operating in Maharashtra, but the quantum of assets as well as revenue generated was not significant enough for reporting in terms of the applicable Accounting Standard.

Internal Control Systems and their adequacy

The Company has standard operating procedures for each operational area. It has in place adequate reporting systems in respect of financial performance, operational efficiencies and reporting with respect to compliance of various statutory and regulatory matters. As detailed above, the Internal Auditors have regularly conducted exhaustive internal audits pertaining to different operational areas and their reports were periodically placed before the Audit Committee for its review and recommendations.

The Company has in place adequate internal controls and systems.

Human Resources and Industrial Relations

An organization's success depends largely on its human resources, its management and good industrial relations. Your Company has always viewed human resource development as a critical activity for achieving its business goals.

The Company enjoys harmonious relationship with its employees. The Company had 769 employees on its rolls as on 31st March, 2014.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation and gratitude to the Company's valued customers, the Government of India, State Government of Delhi, and the Financial Institutions and Banks for their continued support and confidence in the Company.

Your Directors also place on record their sincere gratitude to Hyatt International for their co-operation and guidance.

Your Directors also commend the sincere efforts put in by the employees at all levels for the growth of the Company.

Place: New Delhi
Dated: 8th August, 2014

For and on behalf of the Board

Shiv Kumar Jatia
Chairman & Managing Director
DIN: 00006187

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'A' FORMING PART OF DIRECTORS' REPORT

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY

S. No.	Energy Conservation measures taken during the financial year 2013 - 2014	Impact (savings in Lac Rs. per annum)
1.	Made provision for utilization of grey water for cooling tower	27.00
2.	Replaced steam generator of sauna in Fitness Center	2.98
3.	LED down lighter installed in certain guest floor corridors in place of MR – 16	10.77
4.	Main porch and swimming pool lights were converted to LED lights	2.21

S. No.	Additional Investment – proposal for the year 2014 - 2015	Impact (savings in Lac Rs. per annum)
1.	Will install LED down lighter in the remaining guest floor corridors, in place of MR – 16	10.00
2.	Installation of Building Management System/ VFD's in chilled water pumps	6.00

B. TECHNOLOGY ABSORPTION

In the opinion of the Board, the required particulars, pertaining to technology absorption in terms of Rule 2 of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable as hotels form part of the service industry and the Company does not have any significant manufacturing operations.

C. FOREIGN EXCHANGE EARNINGS

- The Company has a strong commitment to international business and is continuously exploring avenues to increase its foreign exchange earnings.
- Current year earnings amounted to Rs. 140.94 crore (Rs. 153.15 crore in prior year) against which the outgo in foreign exchange was equivalent to Rs. 66.00 crore (Rs. 61.14 crore in prior year).
- Details of foreign exchange earnings and outgo are given at Note 32 to the Financial Statements.

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'B' FORMING PART OF DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956

S. NO	NAME	AGE (YRS)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION IN (RS.)	QUALIFICATION	EXPERIENCE IN (YRS)	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD/ DESIGNATION/PERIOD
EMPLOYED THROUGHOUT THE YEAR								
1	Shiv Kumar Jatia	61	Chairman and Managing Director	1,49,78,277	B.COM	41	10.04.1981	Industrialist
2	Jyoti Subarwal	61	President-Finance & Operations	1,49,21,620	F.C.A.	36	01.08.1983	Mohinder Puri & Co., Chartered Accountants, New Delhi, Audit Manager (5 Yrs.)
3	Marin Leuthard	42	Executive Chef	1,02,73,892	Culinary Studies from Trade School Graduate	28	01.12.2012	Executive Chef, Grand Hyatt Muscat
EMPLOYED FOR PART OF THE YEAR								
1	Vikas Bhakri	53	Chief Operating Officer- Projects	50,68,191	Chartered Engineer	30	01.01.2013	Employed as Chief Engineer with various international shipping companies
2	Timothy Bruce	53	General Manager- Hyatt Regency Delhi	71,65,698	7GCE'O' Levels City & Guilds 706 1/706 2 Diploma of Hotel Management, Canberra TAFF	27	07.09.2004	Park Hyatt Canberra, Director of Food & Beverage (2Yrs.)
3	Aseem Kapoor*	46	General Manager- Hyatt Regency Delhi	1,02,96,607	IHM Mumbai, Graduate	24	27.05.2013	Hyatt Regency Mumbai

*joined during the year under review

Notes:

- Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to Provident Fund, LTA, monetary value of other perquisites, if any, on the basis of Income Tax rules, Performance incentive, and Exgratia payment. No commission is payable for the year under review to the Managing Director due to inadequacy of profits.
- All appointments except that of Mr. Jyoti Subarwal are on contractual basis.
- None of the above-named employees is a relative of any Director of the Company, except Mr. Shiv Kumar Jatia, who is a brother of Mr. Ramesh Jatia (since vacated office of director), and the father of Mr. Amritesh Jatia.

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'C' FORMING PART OF THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. Further, timely and accurate disclosure of information regarding financial position, general state of affairs, ownership and governance of the company is an important part of corporate governance.

The Company is committed to good governance practices while conducting its business and has upheld the core concept of corporate governance. The four pillars on which corporate governance rests are transparency, integrity, accountability and compliance of laws, which Asian Hotels (North) Limited, as a Company has imbibed and endeavors to follow.

Pursuant to Clause 49 of the Equity Listing Agreement, the Company's 'Corporate Governance Report' is given below:

BOARD OF DIRECTORS

In consonance with the requirements of Clause 49 of the Listing Agreement, Board of Directors of the Company is constituted of an appropriate mix of executive and non-executive directors to maintain its independence; and to exercise effective governance and control over its executive functioning. At the beginning of the year under review, the Board had seven directors comprising four independent non-executive directors, two non-executive promoter directors and one executive chairman designated as Chairman & Managing Director.

During the year under review, one non-executive promoter director, namely Mr. Ramesh Jatia vacated the office of director with effect from 7th November, 2013. Subsequently, on 26th March, 2014, Mr. Dipendra Bharat Goenka was appointed as an additional director (non-executive promoter director) pursuant to Section 161(1) of the Companies Act, 2013 (the Act).

The Company was in full compliance with requirements of Clause 49 with regard to the composition of the Board through out the year under review.

Subsequent to the completion of the year under review, Mrs. Archana Jatia was also appointed as an additional director (non-executive promoter director) pursuant to Section 161(1) of the Act, as a woman director in compliance with Section 149(1) of the Act. With her appointment, the constitution of the Company's Board not only continues to be in compliance with Clause 49 of the Listing Agreement but also with the provisions of the Act.

The Company follows the prescribed Board procedures and furnishes detailed notes in advance on the businesses to be dealt with at the Board Meetings. The Board has been meeting at least once every quarter and ensures gap between two consecutive meetings does not exceed four months.

During the year under review, eight Board meetings were held, i.e. on 30th May, 2013, 28th June, 2013, 7th August, 2013, 18th August, 2013, 5th September, 2013, 14th November, 2013, 12th February, 2014 and 26th March, 2014.

Pursuant to the provisions of Clause 49 of the Listing Agreement, the composition of the Board, details of directorships held, committee memberships / chairmanships held, and attendance of the directors at the Board meetings and previous Annual General Meeting (AGM) held during the year under review are given below:

S. No.	Name of the Director@	Category	Board meetings attended vis-à-vis meetings held during their respective tenure including the meeting in which appointed	Last AGM attended: 25th September, 2013	No. of Directorships held in private companies ^	No. of Directorships held in public companies^	No. of Committee memberships in public companies ^	No. of Chairmanship in such Committees ^
1.	Mr. Shiv Kumar Jatia	Executive [Chairman & Managing Director]	8/8	YES	20	4	1	0
2.	Dr. Lalit Bhasin	Independent Non- Executive	8/8	YES	0	11	10	3
3.	Mr. Gautam Ramanlal Divan	Independent Non-Executive	6/8+	NO	4	3	2	1
4.	Mr. Dinesh Chandra Kothari	Independent Non-Executive	6/8	NO	9	4	5	2
5.	Mr. Priya Shankar Dasgupta	Independent Non – Executive	5/8	NO	6	10	9	2
6	Mr. Dipendra Bharat Goenka	Non – Executive	0/1#	N/A#	0	1	0	0
7.	Mr. Amrithesh Jatia	Non – Executive	7/8	YES	1	2	0	0
8.	Mr. Ramesh Jatia	Non – Executive	0/5*	NO	4	2	0	0

@ Inter-se relationship of directors is as follows - Mr. Shiv Kumar Jatia and Mr. Ramesh Jatia are brothers. Mr. Amrithesh Jatia is son of Mr. Shiv Kumar Jatia.

^ Includes directorship/membership/chairmanship of the Board/ Committees of Asian Hotels (North) Limited; excludes foreign bodies corporate; and reflects status as at the close of financial year under review or as of the date of resignation by the respective director, as the case may be. Only membership and/or chairmanship of Audit Committee and Investor Grievance Committee in public limited companies have been taken for this purpose.

+ Excludes a meeting attended by Mr. Aseem Chawla as an alternate to Mr. Gautam R. Divan.

represents the meeting in which he was appointed, i.e. 26th March, 2014.

* Mr. Ramesh Jatia vacated the office of director with effect from 7th November, 2013.

ASIAN HOTELS (NORTH) LIMITED

COMMITTEES OF DIRECTORS

Apart from committees for different operational purposes, the Company's Board has the following Committees constituted in pursuance of the Listing Agreements with the Stock Exchanges and provisions of the Companies Act, 1956 and/or the Act as applicable at the relevant time.

a) Audit Committee:

During the year under review, the Audit Committee comprised of Dr. Lalit Bhasin as its Chairman, and Mr. Dinesh C. Kothari and Mr. Gautam R. Divan as its Members. Mr. Shiv Kumar Jatia, Chairman & Managing Director (CMD) and Mr. Jyoti Subarwal, the Chief Financial Officer of the Company designated as President-Finance & Operations were the permanent invitees to the committee meetings. The terms of reference of the Audit Committee, its role and powers were in conformity with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

Dr. Bhasin is an eminent lawyer and member of Audit Committee and/or Shareholders' Grievance Committee of several other listed companies. Mr. Kothari and Mr. Divan both are Chartered Accountants by profession having rich experience in financial restructuring, and accounting and assurance services; and hold memberships in various Committees of some prominent companies.

During the year under review, six meetings of the Committee were held viz. 30th May, 2013, 7th August, 2013, 18th August, 2013, 5th September, 2013, 14th November, 2013, and 12th February, 2014.

Name of the Director	Category	No. of Meetings Attended
Dr. Lalit Bhasin	Independent Non-Executive	6/6
Mr. Dinesh Chandra Kothari	Independent Non-Executive	5/6
Mr. Gautam Ramanlal Divan	Independent Non-Executive	6/6

Pursuant to Section 177 of the Act, read with amended Clause 49(III) of the Listing Agreement (as applicable effective 1st October, 2014), the Audit Committee has been reconstituted by the Board in its meeting held on 23rd April, 2014, and now comprises of Dr. Lalit Bhasin, Mr. Dinesh C. Kothari, Mr. Gautam R. Divan, Independent Non-executive Directors, and Mr. Shiv Kumar Jatia, CMD. The terms of reference of the Committee, its role and powers are in consonance with the provisions of Section 177 of the Act and Clause 49 of the Listing Agreement, as may be amended or re-stated from time to time, and that its business and meetings would be conducted in terms of the above referred provisions. Two members who are independent non-executive directors form the quorum.

The Company Secretary continues to act as Secretary to the Committee, as was the case before its reconstitution.

b) Share Transfer and Shareholders' Grievance Committee / Stakeholders' Relationship Committee:

Share Transfer and Shareholders' Grievance Committee comprises of three members namely Mr. Dinesh C. Kothari, Dr. Lalit Bhasin and Mr. Shiv Kumar Jatia. Mr. Kothari chairs the Committee's meetings. Mr. Jyoti Subarwal, President-Finance & Operations acts as Advisor to the Committee.

Mr. Dinesh Kumar Jain, Vice-President (Corporate) & Company Secretary is the Compliance Officer of the Company and acts as Secretary to the Committee. The Committee's primary responsibility is to supervise redressal of shareholders' grievances. It acts as a catalyst for matters concerning shareholders and is quite proactive in its approach. The Committee met four times during the year.

The Company received 65 complaints during the year, which were appropriately resolved and/or replied to. None of the investor complaints is lying unresolved or unattended at the year end.

In the meeting held on 23rd April, 2014, the Board re-named the existing Share Transfer and Shareholders' Grievance Committee as Stakeholders' Relationship Committee in compliance with Section 178 of the Act, read with amended Clause 49(VIII)(E) of the Listing Agreement as applicable effective 1st October, 2014. The composition of the Committee remains unchanged.

c) Remuneration Committee / Nomination & Remuneration Committee:

During the year under review, the Remuneration Committee comprised of three independent non-executive directors viz. Dr. Lalit Bhasin, as Chairman of the Committee, and Mr. Dinesh C. Kothari and Mr. Gautam R. Divan as its members. The Committee's role was to determine the Company's policy towards remuneration payable to the whole-time directors including pension rights and compensation payment, if any, on behalf of the Board of Directors. On the recommendation of the Committee, the Board, subject to requisite approvals, used to decide the remuneration of the whole-time directors. The Committee's terms of reference also included considering remuneration and other terms & conditions of employment of and/or for holding office or place of profit by persons falling within the purview of Section 314 of the Companies Act, 1956.

During the year under review one meeting of the Committee took place, which was attended by all the members.

The remuneration package of the whole-time directors comprises a fixed component in the form of salary, perquisites and allowances, and a variable component of commission on profits.

Non-executive directors, up to the year under review, were entitled to remuneration by way of commission, as may be quantified by the Board of Directors for each year, based upon the financial performance of the Company, provided that such commission collectively for all non-executive directors does not exceed 1% of the net profits of the Company computed in terms of Section 198 of the Act. In addition to the above, non-executive directors are entitled to sitting fees for the meetings of the Board and the Committees thereof attended by them.

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No stock option was offered to the directors or executives of the Company.

Details of remuneration paid / payable to the directors for the year under review are given below:

FEES & REMUNERATION				(in Rs.)
Name of Director	Sitting Fees^^	Salary & Perks	Commission^^	Total
Mr. Shiv Kumar Jatia^	0	1,49,78,277	0	1,49,78,277
Dr. Lalit Bhasin	2,52,000	0	3,13,420	5,65,420
Mr. Gautam Ramanlal Divan	1,56,000	0	3,13,420	4,69,420
Mr. Dinesh Chandra Kothari	1,92,000	0	3,13,420	5,05,420
Mr. Priya Shankar Dasgupta	60,000	0	3,13,420	3,73,420
Mr. Amritesh Jatia	1,08,000	0	3,13,420	4,21,420
Mr. Ramesh Jatia#	0	0	1,88,913	1,88,913
Mr. Dipendra Bharat Goenka*	0	0	5,152	5,152
Mr. Aseem Chawla as alternate to Mr. Divan	12,000	0	0	12,000
Grand Total	7,80,000	149,78,277	17,61,165	1,75,19,442

^^Excluding Service Tax

^ Current tenure is for five years beginning 10th April, 2011

Vacated the office of director with effect from 7th November, 2013

* appointed with effect from 26th March, 2014

In the Board meeting held on 23rd April, 2014, the aforesaid Committee was re-designated as Nomination & Remuneration Committee pursuant to Section 178 of the Act, read with amended Clause 49 (IV) of the Listing Agreement, as applicable effective 1st October, 2014. Though the composition of the Committee remains unchanged, its terms of reference have been re-drafted as under:

- To formulate the criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board, a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- To identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of independent director and the Board;
- Devising a policy on Board diversity; and
- To determine on behalf of the Board the Company's policy governing remuneration payable to whole time director(s); and recommend their remuneration including pension rights and any compensation payment, subject to approval of the Board and the shareholders.

Shareholding of Non-Executive Directors

As on 31st March, 2014, Mr. Gautam Ramanlal Divan held 1 equity share (equivalent to 0% of the total outstanding capital). None of the other non-executive directors held any equity shares in the Company as of that date.

GENERAL BODY MEETINGS

Financial Year	Nature of Meeting	Venue	Date	Time
2010-11	AGM^	Hotel Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi- 110066	22.09.2011	11.30 a.m.
2011-12	AGM#	-do-	25.09.2012	11.30 a.m.
2012-13	AGM#	-do-	25.09.2013	11.30 a.m.

^ A special resolution was approved u/s 314 of the Companies Act, 1956 for holding an office or place of profit by Dr. Lalit Bhasin, an independent non-executive director for acting as the Trustee of the Board of Directors of the Company to discharge certain obligations and duties under the Scheme of Arrangement and De-merger sanctioned by the High Court of Delhi.

There was no item requiring approval by special resolution.

None of the special resolutions passed in the above mentioned meetings were required to be put through a postal ballot.

During the year under review, the Company conducted a postal ballot process as initiated by the Board in its meeting held on 7th August, 2013, to secure shareholders' approval for the following resolutions:

- By means of a special resolution pursuant to Section 372A of the Companies Act, 1956, enabling the Company to give guarantees and/or provide security for amounts exceeding the limits specified in the said section;
- By means of a special resolution pursuant to Section 149(2A) of the Companies Act, 1956, enabling the Company to commence certain activities/businesses specified in sub-clause 35 of the 'Other Objects' under the 'Objects Clause' of the Memorandum of Association of the Company;
- By means of an ordinary resolution pursuant to Section 293(1)(d) of the Companies Act, 1956, to increase the borrowing limits; and
- By means of an ordinary resolution pursuant to Section 293(1)(a) of the Companies Act, 1956, enabling the Company to create charge, mortgage, hypothecation or any other form of encumbrance(s) on the assets of the Company to secure the borrowings as per enhanced limits.

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The Company followed the due procedure described under the extant rules applicable for postal ballot through physical voting. Dr. S. Chandrasekaran, Senior Partner, M/s Chandrasekaran Associates, Company Secretaries, was appointed as the Scrutinizer, to conduct the postal ballot process in a fair and transparent manner. The Scrutinizer submitted his report on 20th September, 2013. The voting pattern for the said postal ballot was as under:

Particulars	Resolution No.1	Resolution No.2	Resolution No. 3	Resolution No. 4
	No. of shares	No. of shares	No. of shares	No. of shares
Total number of votes received through postal ballot forms	14261662	14261662	14261662	14261662
Less: No. of Invalid Votes	5584	5630	5601	5584
Less: No. of Votes not Polled	2066	2507	2560	2357
Net valid number of votes cast through postal ballot forms	14254012	14253525	14253501	14253721
Total number of votes which have been cast in favour of the Resolution	14240776	14241871	14235168	14236065
Total number of votes which have been cast against the Resolution	13236	11654	18333	17656

Further, the Board of Directors of the Company in its meeting held on 24th July, 2014, initiated and authorized a postal ballot process to secure shareholders' approval for the following businesses:

- By means of a Special Resolution pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), enabling the company to provide security or give guarantees in connection with loans made to Leading Hotels Limited and New Town Hospitality Private Limited;
- By means of a Special Resolution pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Act, enabling the Company to sell, lease or otherwise dispose of certain immovable assets;
- By means of a Special Resolution pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Act, enabling the Company to borrow up to a sum of Rs. 1,500,00,00,000/-; and
- By means of a Special Resolution pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Act, enabling the Company to create charge, mortgage, hypothecation or other encumbrance on the assets of the Company to secure borrowings up to the aforesaid increased limits.

The Company, following the due procedure described under the extant rules applicable for postal ballot under the Act has provided the facility of e-voting to the shareholders in addition to physical voting through postal ballot. The Notice of Postal Ballot dated 24th July, 2014, was sent to the shareholders, whose names appear in the Register of Members as at the close of business hours on Friday, the 1st August, 2014, and accordingly, the voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders as on the same date. The mailing of the Notice of Postal Ballot was completed by Friday, the 8th August, 2014. Consequently, the last date of receipt for the Postal Ballot Forms is Monday, the 8th September, 2014. Dr. S. Chandrasekaran, Senior Partner, M/s Chandrasekaran Associates, Company Secretaries, who has been appointed as the Scrutinizer to conduct the postal ballot process in fair and transparent manner will submit his report on Thursday, the 11th September, 2014.

The Chairman & Managing Director, and in his absence, a person authorized by him, will announce the results of the postal ballot at the Registered Office of the Company at Bhikaiji Cama Place, M. G. Marg, New Delhi- 110 066 on Thursday, the 11th September, 2014 at 5.00 p.m. The date of declaration of the results of postal ballot will be taken to be the date of passing of the aforesaid resolutions.

The result of the said postal ballot along with the Scrutinizer's Report will be communicated to BSE Limited and The National Stock Exchange of India Limited, where the equity shares of the Company are listed. The said results will be displayed on the Company's website www.asianhotelsnorth.com and published in the newspapers within 48 hours of the declaration of the results.

SUBSIDIARY COMPANIES

The Company holds 100% equity as well as preference capital in Finline Hospitality & Consultancy Pte. Ltd., Mauritius (FHCPL). FHCPL holds 80% equity stake in Lexon Hotel Ventures Ltd., Mauritius (Lexon), and Lexon in turn holds 99.76% equity stake in Leading Hotels Limited (Leading), an Indian subsidiary. Thus FHCPL has 79.81% economic interest in Leading.

Leading is a material non-listed Indian subsidiary of the Company, which has co-opted one of the independent directors of the Company namely, Dr. Lalit Bhasin. Dr. Bhasin chairs Leading's Board and Audit Committee.

The Audit Committee of the Company reviews financials of its subsidiaries while considering the consolidated accounts. Minutes of the Board meetings of all the subsidiaries are placed and taken note of by the Board of the Company.

MATERIAL DISCLOSURES

Code of Conduct

The Board of Directors of the Company has laid down a Code of Conduct applicable to all Board Members and Senior Management Personnel. All concerned have affirmed their compliance with the said Code during the year under review. As required, a declaration to this effect by the Chairman & Managing Director of the Company is annexed to this report.

Conflict of Interest

Based on the disclosures received by the Board from the Company's Senior Management Personnel, none of the Senior Management Personnel had any material financial or commercial transactions wherein they had personal interest that could have a potential conflict with the interest of the Company at large.

Independence of Directors

During the year under review, all independent non-executive directors have confirmed that they continue to fulfill the conditions pertaining to the independent directors as laid down in Clause 49 of the Listing Agreement vis-à-vis holding the office of an independent director in the Company. Reliance was placed on those confirmations/declarations while ascertaining the adequacy of number of independent directors for the purposes

ASIAN HOTELS (NORTH) LIMITED

of compliance with Clause 49 of the Listing Agreement.

Further, all the independent directors have submitted declaration to the effect that they meet the criteria of independence as provided in Section 149(6) read with rules made there under and Schedule IV to the Act.

Related Party Transactions

In compliance with the Accounting Standard – 18, transactions pertaining to related parties are given under Note No. 29 to the Financial Statements (stand-alone) for the year ended 31st March, 2014. These transactions have been approved by the Board of Directors from time to time. The Board certifies that these transactions are in the ordinary course of business, and are on an arm's length basis.

Legal Compliances

Timely compliance of multifarious and complex regulatory framework is always a challenge. Compliance Status on all applicable laws is reviewed by the Board on quarterly basis. In the opinion of your Directors there has been no significant non-compliance by the Company during the last three years.

Risk Assessment and Minimization Procedures

As part of the risk assessment and minimization procedures, the Company had, in the previous years, identified certain major risk areas with regard to the operations of the Company and initiated steps, wherever possible, for risk minimization. The Company's Board is conscious of the need to review the risk assessment and minimization procedures periodically.

During the year 2013-14, the Company had engaged an independent agency to undertake a comprehensive study on the subject, and their report was received by the Board in its meeting held on 30th May, 2013.

Further, the Company is in the process of preparing a concept note on the role and responsibilities of a proposed Risk Assessment Committee.

CEO/CFO Certification

A certificate, in accordance with the requirements of Clause 49(V) of the Listing Agreement, duly signed by the Chairman & Managing Director and President – Finance & Operations in respect of the financial statements for the year under review was placed before the Board and was taken on record.

SHAREHOLDERS' INFORMATION

Profile of Directors seeking appointment / re-appointment

Name Of Director	Expertise In Specific Functional Area	Other Companies In Which Directorships Held
Mr. Dinesh Chandra Kothari	Mr. Dinesh Chandra Kothari is a Chartered Accountant having over 40 years of experience in financial services, corporate and financial structuring and analysis of projects for financial assistance and initial public offering. He started his career with Merchant Banking Division of ICICI Limited. Later, he worked as the Executive Director of Bukhatir Group of Companies, Sharjah, U.A.E. for twelve years before setting-up his corporate consultancy and advisory services. Mr. Kothari does not hold any shares in the Company.	Aro Granite Industries Limited (Also Chairman, Audit Committee and Member, Shareholders'/ Investors' Grievance Committee) Ester Industries Limited (Also Member, Audit Committee) Interstar Financial Services Limited Holcim (India) Private Limited, New Delhi Corporate Consultancy Private Limited, Sarla Holdings Private Limited Interstar Home Decor Private Limited Intertec Softwares Private Limited Kothari Education Infrastructure Private Limited Shugan Chandra Kothari Educational Foundation. Shugan Chandra Kothari Trust (Chairman & Managing Trustee)
Mr. Gautam Ramanlal Divan	Mr. Gautam Ramanlal Divan is a Fellow Member of the Institute of Chartered Accountants of India and a Partner of M/s. Rahul Gautam Divan & Associates, Chartered Accountants. He has wide experience in financial and taxation planning for individuals and limited companies, auditing the accounts of large public limited companies and nationalized banks and structuring overseas investments to and from India. Mr. Divan holds one share in the Company.	Baltic Consultancy and Services Private Limited Serendib Investments Private Limited Chandabhoy and Jassoobhoy Consultants Private Limited Mahindra Asset Management Company Private Limited.
Dr. Lalit Bhasin	Dr. Lalit Bhasin is a distinguished lawyer with over five decades of law practice. He is the Managing Partner of M/s Bhasin & Co., Advocates. He started his law practice in 1962 and has developed Bhasin & Co. as one of the leading law firms in north India. His areas of specialization include Employment & Labour Laws, Corporate Law (Formation of Joint Venture Companies, Foreign Collaborations, Amalgamations, Mergers, Acquisitions, Disinvestment); Laws relating to Information Technology; Contract and Conveyance; Sports Law; Entertainment & Media Laws; Constitutional Law; Banking and Finance; Consumer Protection Laws; Disputes relating to foreign investment e.g. Shareholders Agreements, Collaboration Agreements, Agency and Distribution Agreements, Technology Transfer Agreements and Dispute Resolution Practice. Dr. Bhasin does not hold any shares in the Company.	Godfrey Phillips India Limited (Also Chairman, Audit Committee and Member, Shareholders' Grievance Committee) Bharat Hotels Limited (Also Member, Audit Committee) Modicare Limited Apollo Zipper India Limited Urban Infrastructure Trustees Limited Ansal Properties and Infrastructure Limited (Also Member, Shareholders' Grievance Committee) Omax Autos Limited Asian Hotels (West) Limited (Also Member, Audit Committee and Member, Shareholders' Grievance Committee) Leading Hotels Limited (Also Chairman, Audit Committee) United Breweries Holdings Limited (Also Member, Audit Committee)

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Mr. Priya Shankar Dasgupta	<p>Mr. Priya Shankar Dasgupta is the Senior Partner of a leading Law Firm in Delhi, namely M/s. New Delhi Law Offices, since 1991. He has extensive practice especially in Conveyancing, Structuring and negotiation of Joint Ventures and Foreign Collaborations; Corporate Laws, Foreign Exchange, Antitrust and Mercantile Laws; Project Contracts and Construction Contracts; Acquisitions and Domestic and International Arbitrations.</p> <p>Mr. Dasgupta does not hold any shares in the Company.</p>	<p>Cummins India Limited (Also Member, Finance & Audit Committee and Shareholders / Investors Grievance Committee)</p> <p>Otis Elevator Company India Limited (Also Member, Audit Committee and Shareholders / Investors Grievance Committee)</p> <p>Maral Overseas Limited (Also Member Audit Committee)</p> <p>Bhilwara Technical Textiles Limited (Also Member, Audit Committee and Chairman, Shareholders / Investors Grievance Committee)</p> <p>RSWM Limited</p> <p>Tricone Projects India Limited (Also Member, Audit Committee)</p> <p>Ester Industries Limited</p> <p>Timken India Limited (Also Chairman, Audit Committee)</p> <p>Interstar Financial Services Limited</p> <p>Snap-on Tools Private Limited</p> <p>Holcim (India) Private Limited</p> <p>Dasgupta Consulting Private Limited</p> <p>NDLO Consulting Private Limited</p> <p>Kothari Education Infrastructure Private Limited</p> <p>Afforce Business Consulting Private Limited</p> <p>Shugan Chandra Kothari Educational Foundation</p> <p>Shugan Chandra Kothari Trust (Trustee)</p> <p>Delhi Public School, Jodhpur (Member, Management Board)</p>
Mr. Dipendra Bharat Goenka	<p>After graduating from the University of Southern California in 1989, Mr. Goenka started a clothing manufacturing company Modest Garments, with offices in Paris and manufacturing in Bombay. After running it successfully until 2000, he then bought an Australian trading company, Best Corporation and moved to Melbourne.</p> <p>In 2001, he started a global manufacturing and supply company based in Hangzhou, China called Indochine Group. Today Indochine Group has factories in China, Vietnam, Cambodia and Bangladesh and a sales office in UK, USA, Germany, South Africa and Australia.</p> <p>In 2006, Mr. Goenka started Forever New, a young ladies retail brand of which he is currently CEO. Forever New has 290 stores across ten different countries.</p> <p>Mr. Goenka does not hold any share in the Company</p>	<p>He holds directorships in many overseas companies.</p>
Mrs. Archana Jatia	<p>Mrs. Archana Jatia is a graduate and is a business woman. She is managing certain companies listed alongside.</p> <p>Mrs. Jatia does not hold any shares in the Company in her individual capacity but being one of the directors of Asian Holdings Private Limited and the wife of Mr. Shiv Kumar Jatia, Chairman & Managing Director and mother of Mr. Amrutesh Jatia, Director, she may be considered to have indirect interest in the entire promoters' shareholding of 14100716 equity shares (72.49% of the total equity) in the Company.</p>	<p>WEL Intertrade Private Limited</p> <p>Charmaine Personality Development Private Limited</p> <p>RSJ Developers Private Limited</p> <p>Sun Media Private Limited</p> <p>Scotts India Private Limited</p> <p>Rose Serviced Apartments (I) Private Limited</p> <p>Asian Holdings Private Limited</p> <p>Eternal Healthcare Solutions Private Limited</p> <p>Prudential Hotels Private Limited.</p>
Mr. Amrutesh Jatia	<p>Mr. Amrutesh Jatia graduated in Business Management from Babson College, U.S.A., and worked as an Analyst with Ernst & Young LLP, New York. Since returning to India, he has been monitoring execution and progress of various projects initiated by the Jatia Group.</p> <p>Mr. Jatia does not hold any shares in the Company in his individual capacity, but being one of the directors of Fineline Holdings Limited and Yans Enterprises (H.K.) Limited, and the son of Mr. Shiv Kumar Jatia, Chairman & Managing Director and Mrs. Archana Jatia, Director, he may be considered to have indirect interest in the entire promoters' shareholding of 14100716 equity shares (72.49% of the total equity) in the Company.</p>	<p>Leading Hotels Limited (Also Member, Audit Committee)</p> <p>Pergo India Private Limited</p> <p>In addition to the above, he holds directorships in many overseas companies.</p>

Note: Only membership and/or chairmanship of Audit Committee and Investors' Grievance Committee in public limited companies have been indicated above.

ASIAN HOTELS (NORTH) LIMITED

Means of Communication

Presently, the quarterly financial results are published in the Business Standard (English and Hindi). All official declarations, notices or news releases are first forwarded to the Stock Exchanges and, if considered necessary, subsequently released to the media. Further, all periodic statutory reports including the quarterly financial results and other official news releases are uploaded on the Company's official website www.asianhotelnorth.com

Annual General Meeting

Day, Date & Time:

Tuesday, the 30th September, 2014 at 11:30 a.m.

Venue:

Regency Ball Room
Hyatt Regency Delhi
Bhikaiji Cama Place, M.G. Marg, New Delhi – 110 066

Financial Year/Calendar

The Company follows 1st April to 31st March as its financial year.

The calendar for the current financial year 2014-15 is proposed as under:

Financial Reporting for the quarter ending 30th June, 2014	On 8th August, 2014
Financial Reporting for the half yearly ending 30th September, 2014	By the mid of November 2014
Financial Reporting for the third quarter ending 31st December, 2014	By the mid of February 2015
Financial Reporting for the year ending 31st March, 2015	By the end of May 2015

Book Closure	From Saturday, the 27th September, 2014 to Tuesday, the 30th September, 2014 (inclusive of both days)
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Dividend Payment Date:

On or around 20th October, 2014

Listing on Stock Exchanges:

BSE Limited and The National Stock Exchange of India Limited
The Company has paid up to date Annual Listing Fees to the respective Stock Exchanges.

Script Code/Script ID:

BSE - 500023/ASIANHOT
NSE - 233/ASIANHOTNR

International Securities Identification Number

(ISIN) for Equity shares

INE 363A 01022

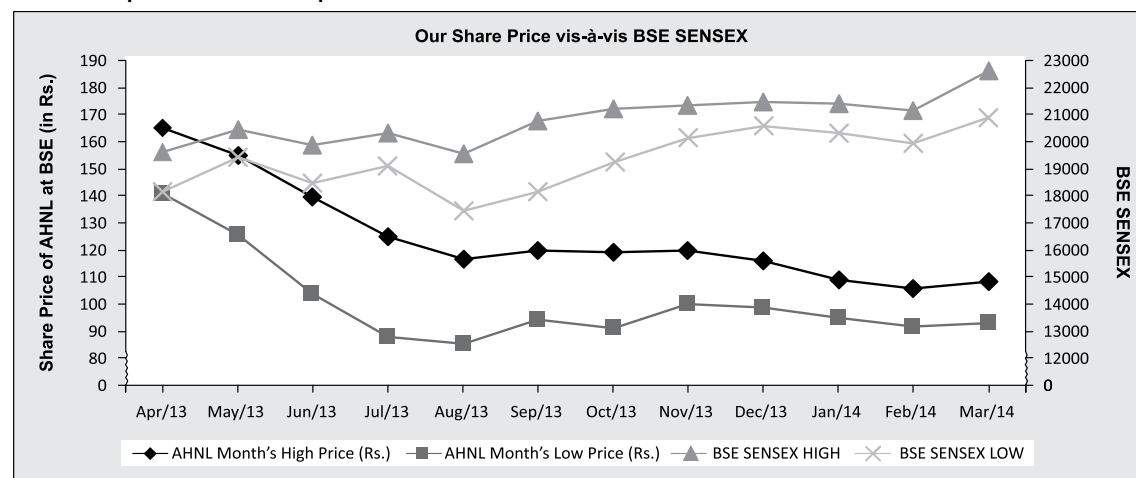
Stock Market Data

The monthly high and low quotations, as well as the volume of shares traded at BSE and NSE are as follows:

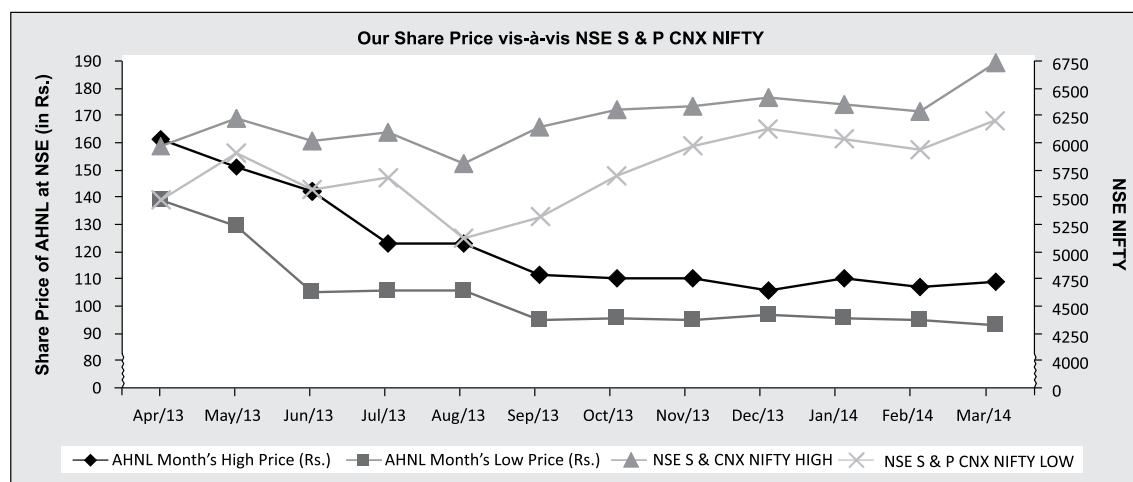
Month	BSE			NSE		
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)
Apr 2013	165.00	140.80	2948	161.00	139.00	13922
May 2013	154.90	125.25	7039	151.00	129.35	21725
Jun 2013	139.45	104.00	10989	142.00	105.00	13875
Jul 2013	124.95	88.00	5600	123.00	106.00	4039
Aug 2013	116.40	85.60	5775	123.00	106.00	4039
Sep 2013	120.00	94.10	5406	111.60	95.00	54113
Oct 2013	119.00	91.05	36177	110.00	95.50	47813
Nov 2013	120.00	100.00	1462	110.00	95.00	8680
Dec 2013	116.00	99.00	5508	106.00	96.75	5997
Jan 2014	109.00	95.15	4229	109.95	95.25	6380
Feb 2014	105.50	91.40	7284	107.00	95.00	18020
Mar 2014	108.40	93.15	59493	108.85	93.00	38268

Source-www.bseindia.com & www.nseindia.com

Share Price performance in comparison to BSE SENSEX & NSE S & P CNX NIFTY



ASIAN HOTELS (NORTH) LIMITED



Source-www.bseindia.com & www.nseindia.com

Distribution of shareholders

	As on 31st March, 2014				As on 31st March, 2013			
Number of equity shares held	No. of Shareholders	% of Total Shareholders	No. of Shares held	% Share holding	No. of Shareholders	% of Total Shareholders	No. of shares held	% share holding
Up-to 500	16329	96.65	945333	4.86	16517	96.45	1003222	5.16
501 – 1000	321	1.90	230966	1.19	330	1.93	239803	1.23
1001 – 2000	114	0.68	163756	0.84	132	0.77	191467	0.98
2001 – 3000	46	0.27	115230	0.59	53	0.31	133210	0.69
3001 – 4000	17	0.10	60800	0.31	14	0.08	50972	0.26
4001 – 5000	9	0.05	40982	0.21	12	0.07	54761	0.28
5001 – 10000	16	0.10	114506	0.59	22	0.13	144843	0.75
10001 - above	43	0.25	17781656	91.41	44	0.26	17634951	90.65
TOTAL	16895	100.00	19453229	100.00	17124	100.00	19453229	100.00

Category wise shareholding

CATEGORY	As on 31st March, 2014		As on 31st March, 2013	
	No. of shares held	% of shareholding	No. of shares held	% of shareholding
A. Promoters Shareholding				
- Indian	1403191	7.22	1892371	9.73
- Foreign	12697525	65.27	12697525	65.27
Total Promoters Shareholding	14100716	72.49	14589896	75.00
B. Public Shareholding				
- Mutual Funds/Financial Institutions/Banks and Insurance Companies	622272	3.20	612262	3.15
- FIIs	6719	0.03	6719	0.03
- NRIs	594490	3.06	610148	3.14
- Bodies Corporate (Domestic)	814057	4.18	646983	3.33
- Bodies Corporate (Foreign)	690802	3.55	690802	3.55
- Individuals (Indian Public)	2617167	13.45	2288581	11.76
- Clearing Members	7006	0.04	7838	0.04
Total Public Shareholding	5352513	27.51	4863333	25.00
GRAND TOTAL	19453229	100.00	19453229	100.00

Share Transfer System

To expedite the transfer of shares in physical form, authority has been delegated at two levels:

- Share Transfer and Shareholders' Grievances Committee / Stakeholders' Relationship Committee comprising of Directors; and
- Executive Share Transfer Committee comprising of executives of the Company.

ASIAN HOTELS (NORTH) LIMITED

In compliance with the Equity Listing Agreement, the transfer of shares received in physical form were being approved and given effect to every fortnight. With effect from October 2012, this cycle was reduced to ten days. However, during the year under review, this cycle was further reduced and the transfer of shares received in physical form is now given effect to every week to ensure compliance with the said Agreement.

Share Transfer Agent

Karvy Computershare Pvt. Ltd.

17-24, Vittal Rao Nagar,

Madhapur,

Hyderabad – 500 081

Tel: 91 40 2342 0818

Fax: 91 40 2342 0814

Website: www.karvycomputershare.com

E-mail: einward.ris@karvy.com

Dematerialization of Shares

19124590 shares (equivalent to 98.31%) of the total outstanding shares of the Company are held in dematerialized form as on 31st March, 2014. During the year under review, the Company's shares were not frequently traded in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Dividend Information

Dividend amount which remains unpaid/unclaimed for a period of seven years in terms of Section 205A and other applicable provisions of the Companies Act, 1956 is liable to be transferred by the Company to the credit of Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

Accordingly, unclaimed and unpaid amount pertaining to final dividend declared for the financial year 2005-06 (final) has been transferred to IEPF.

Attention of the members is also drawn to the fact that unpaid/unclaimed dividends pertaining to the following years are due for transfer to the IEPF during calendar years 2014 and 2015. Once transferred, no claim shall lie against the Company or the Central Government in this regard.

Financial Year	Due date for transfer to IEPF
2006-07 Final dividend	21.10.2014
2007-08 Final dividend	24.10.2015

Shareholders who have, so far, not received and/or encashed the dividend warrant(s) are advised to write to the Company or the Registrar & Transfer Agent requesting for fresh warrants, providing details of Folio No./Client ID No., No. of shares held etc.

The Company has uploaded the details of unpaid/unclaimed dividend on the official website of the Ministry of Corporate Affairs and on its own website in terms of Notification No. G.S.R. No. 352(E) dated 10th May, 2012, issued by the said Ministry.

Plant Locations

The Company has only one five-star deluxe hotel namely

HYATT REGENCY DELHI

Bhikaiji Cama Place,

M. G. Marg, New Delhi -110 066

Address for Correspondence:

The investors may forward their queries to the Company at its registered office address given below. Queries pertaining to shareholding, transfer, transmission, dividend etc., should be addressed directly to the Registrar & Transfer Agent.

Registered Office:

ASIAN HOTELS (NORTH) LIMITED

Bhikaiji Cama Place,

M. G. Marg,

New Delhi – 110 066

Telephone No.91 11 66771225-1226

Fax No. 91 11 26791033

Email: investorrelations@ahlnorth.com

Adoption of Non-Mandatory Requirements of Clause 49 of the Listing Agreement:

Besides constituting the Remuneration Committee, the Company has so far not implemented other non-mandatory requirements of Clause 49 of the Listing Agreement. The Company endeavors to explore adoption and implementation of certain other provisions contained therein.

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

Date: 8th August, 2014

The Board of Directors
Asian Hotels (North) Limited
Bhikaiji Cama Place,
M.G. Marg,
New Delhi – 110 066

Subject: Code of Conduct – Declaration under Clause 49 (I) (D)

Dear Sirs,

This is to certify that pursuant to Clause 49(I)(D) of the Equity Listing Agreement, the Board of Directors has adopted a Code of Conduct for its members and Senior Management personnel and that all concerned have affirmed having complied with the said Code of Conduct for the financial year ended 31st March, 2014.

SHIV KUMAR JATIA
CHAIRMAN & MANAGING DIRECTOR
DIN 00006187

ANNEXURE 'D' FORMING PART OF THE DIRECTORS' REPORT

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE EQUITY LISTING AGREEMENT

To

The Members of Asian Hotels (North) Limited

We have examined the compliance of the mandatory conditions of Corporate Governance by Asian Hotels (North) Limited ('the Company') for the Financial Year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit, nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MOHINDER PURI & COMPANY**
Chartered Accountants
Firm Registration No.: 000204N

Place: New Delhi
Date: 8th August, 2014

VIKAS VIG
PARTNER
Membership No.: 16920

ASIAN HOTELS (NORTH) LIMITED

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF ASIAN HOTELS (NORTH) LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **ASIAN HOTELS (NORTH) LIMITED ("the Company")**, which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - (e) On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Act nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For MOHINDER PURI AND COMPANY

Firm Registration Number: 000204N
Chartered Accountants

VIKAS VIG

PARTNER
Membership Number: 16920

Place: New Delhi
Date: 28th May, 2014

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF ASIAN HOTELS (NORTH) LIMITED, FOR THE YEAR ENDED 31ST MARCH, 2014

(Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- 1a). The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- 1b). Though all the assets have not been physically verified by the management during the year, as per the information furnished to us, there exists a programme of physical verification of entire fixed assets over a reasonable period. In our opinion the frequency of verification of the fixed assets by the management is at reasonable intervals having regard to the size of the Company and nature of the assets and no material discrepancies were noticed between the book records and the physical inventory in respect of the assets physically verified.
- 1c). During the year, the Company has not disposed off a substantial part of the fixed assets. Based on the information and explanations given by the management and on the basis of audit procedures performed by us, we are of the opinion that the sale of the fixed assets, has not affected the going concern status of the Company.
- 2a). The stocks of stores, provisions, beverages, crockery etc., have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- 2b). In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
- 2c). The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- 3a). The following are the particulars of loans granted by the Company, secured or unsecured, to companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:

Sl. No.	Name of Party	Relationship with Company	Maximum Amount (excluding interest) Involved during the year (Rs. In Lakhs)	Year end Balance (excluding interest) (Rs. in Lakhs)
1	Fineline Hospitality & Consultancy Services Pte. Ltd., Mauritius	Subsidiary Company	41,761.31 (unsecured foreign currency loan)	Nil

- 3b). In our opinion the rate of interest and other terms and conditions of such loan are not prima facie prejudicial to the interest of the Company.
- 3c). The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of stores, provisions, beverages, crockery etc., plant and machinery, equipment and other assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct any major weakness in internal control systems.
- 5a). Based on the audit procedures applied by us and according to the information and explanations provided by the Management, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- 5b). In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakh in respect of any party during the year have been made at prices which are prima facie reasonable having regard to prevailing market prices to the extent available with the Company of similar items supplied under similar circumstances sale of such services to others except where due to certain special reasons as explained to us prices have been charged with no comparison available with the Company.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits covered by the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, hence the provisions of clause 4 (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
7. Internal Audit has been conducted by an independent firm of Chartered Accountants during the year and it is commensurate with the size of the Company and the nature of its business.
8. The Central Government has not prescribed for the Company the maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 and hence the provisions of clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 9a). According to the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Value Added Tax, Central Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- 9b). According to the information and explanations given to us, there are no undisputed amounts payable in respect of the aforesaid dues that were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
- 9c). According to the records of the Company examined by us and according to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty or Cess which have not been paid on account of any dispute

ASIAN HOTELS (NORTH) LIMITED

except the following:

Name of the Statute	Year to which it relates	Amount unpaid (Rs in Lakhs)	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	2002-2007	401.10 (including penalty of Rs. 250.00 Lakhs)	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Assessment year 2006-07	8.39*	Assessing Officer (Case Reopened under Section 147)
Income Tax Act, 1961	Assessment year 2010-11	12.74#	Commissioner of Income Tax (Appeals)

* Already settled subsequent to 31st March, 2014.

will be adjusted with refunds due for other assessment years.

10. The Company had no accumulated losses as at the end of the current financial year and has not incurred any cash losses in such financial year and in the immediately preceding financial period, hence provisions of clause 4 (x) of the Companies (Auditor's Report) Order, 2003 are not applicable.
11. As per books and records maintained by the Company and according to the information and explanations given to us, the Company has not defaulted in the repayment of any dues to financial institutions, banks or debenture holders as at the Balance Sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund / society, hence the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts of dealing or trading in shares, securities, debentures and other investments and timely entries have been made in those records. We also report that the Company has held the shares, securities, debentures and other investments in its own name.
15. In our opinion, the terms and conditions on which the Company has given its fixed deposits with Bank amounting to Rs. 3,000/- Lakhs as guarantee for loans taken by one of its subsidiaries from banks or financial institutions are not prejudicial to the interest of the Company.
16. In our opinion, the term loans were applied for the purposes for which they were raised except that one term loan taken to fund cash flow mismatch have been utilised to create fixed deposits with a bank amounting to Rs. 3,000/- Lakhs and has been given as security for loans taken by one of subsidiaries of the Company.
17. According to the information and explanations given to us and on an overall examination of Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes, except the following:

Particulars	Amount (Rs. in Lakhs)
Inter Corporate Loans (net) taken during the year for repayment of Long-term loans and interest thereon.	5,150.00

Besides the above, certain advances and security deposits have also funded the long term uses.

18. As the Company made no preferential allotment of shares to any parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, the provisions of clause 4 (xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
19. As the Company has not issued any debentures the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
20. As the Company has not raised any money during the year by public issue, the provisions relating to end use thereof as per clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
21. Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For MOHINDER PURI AND COMPANY

Firm Registration Number: 000204N

Chartered Accountants

VIKAS VIG

PARTNER

Membership Number: 16920

Place: New Delhi

Date: 28th May, 2014

ASIAN HOTELS (NORTH) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

EQUITY AND LIABILITIES	Notes	As At 31st March 2014 (Rs. In Lakhs)	As At 31st March 2013 (Rs. In Lakhs)
Shareholders' Funds			
Share Capital	3	1,945.32	2,435.32
Reserves and Surplus	4	78,326.49	84,894.31
		<u>80,271.81</u>	<u>87,329.63</u>
Non-Current Liabilities			
Long-term Borrowings	5	74,099.17	66,198.40
Deferred Tax Liabilities (net)	6	2,360.77	937.66
Other Long-term Liabilities	7	195.90	2,272.90
Long-term Provisions	8	500.86	665.04
		<u>77,156.70</u>	<u>70,074.00</u>
Current Liabilities			
Short-term Borrowings	9	9,144.99	4,450.16
Trade Payables	10	1,356.97	1,304.26
Other Current Liabilities	11	27,396.14	27,943.39
Short-term Provisions	8	791.06	650.78
		<u>38,689.16</u>	<u>34,348.59</u>
TOTAL		<u>196,117.67</u>	<u>191,752.22</u>
ASSETS			
Non-Current Assets			
Fixed Assets	12		
Tangible Assets		118,580.75	98,343.37
Intangible Assets		—	—
Capital Work-in-progress		6,710.63	26,968.77
Non-current Investments	13	55,661.40	10,795.68
Long-term Loans and Advances	14	8,298.98	49,466.98
Other Non-current Assets	15	—	268.63
		<u>189,251.76</u>	<u>185,843.43</u>
Current Assets			
Inventories	16	610.95	634.28
Trade Receivables	17	996.74	1,119.27
Cash and Bank Balances	18	3,551.22	288.73
Short-term Loans and Advances	14	1,686.15	911.31
Other Current Assets	15	20.85	2,955.20
		<u>6,865.91</u>	<u>5,908.79</u>
TOTAL		<u>196,117.67</u>	<u>191,752.22</u>

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

CONTINGENT LIABILITIES AND COMMITMENTS

The accompanying notes 1 to 34 are an integral part of the Financial Statements

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

VIKAS VIG

Partner

Membership Number: 16920

JYOTI SUBARWAL

President- Finance

& Operations
(Chief Financial Officer)

DINESH C. KOTHARI

Director

DIN : 00195609

SHIV KUMAR JATIA

Chairman & Managing Director

DIN : 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN : 02781300

Place: New Delhi

Dated: 28th May, 2014

ASIAN HOTELS (NORTH) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

INCOME	Notes	For the year ended 31 st March 2014 (Rs. In Lakhs)	For the year ended 31 st March 2013 (Rs. In Lakhs)
I Revenue From Operations (gross)	19	22,808.22	21,615.69
Less: Excise Duty paid		(32.00)	(32.63)
Revenue From Operations (net)		22,776.22	21,583.06
II Other Income	20	6,513.50	5,052.04
III Total Income (I+II)		29,289.72	26,635.10
IV EXPENSES			
Consumption of Provisions, Beverages, Smokes & Others	21	2,936.78	2,711.43
Employee Benefits Expense	22	5,531.27	5,496.96
Other Expenses	23	8,043.94	7,542.06
Total Expenses		16,511.99	15,750.45
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		12,777.73	10,884.65
Depreciation & Amortisation Expenses	12	1,196.47	1,249.91
Less: Transferred from Revaluation Reserve		(53.91)	(53.91)
Finance Costs	24	7,341.70	5,232.37
VI Profit before exceptional, prior period items and tax		4,293.47	4,456.28
Exceptional Items		—	—
VII Profit before prior period items and tax		4,293.47	4,456.28
Prior period items	25	8.02	11.23
VIII Profit before extraordinary item and tax		4,285.45	4,445.05
Extraordinary items		—	—
Provision for Impairment on value of investment		5,119.60	—
IX Profit/(Loss) before tax		(834.15)	4,445.05
X Tax Expense			
Current Tax		912.16	1,470.00
Earlier Years Tax (written back)		(32.40)	(102.06)
Minimum Alternate Tax (MAT) Credit Entitlement		(770.70)	—
Deferred Tax		1,423.11	132.46
Total Tax		1,532.17	1,500.40
XI Profit/(Loss) for the year (IX - X)		(2,366.32)	2,944.65
Earnings/(Loss) Per Equity Share (in Rupees)	26		
Basic		(12.16)	15.11
Diluted		(12.16)	15.11

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

The accompanying notes 1 to 34 are an integral part of the Financial Statements

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG

Partner

Membership Number: 16920

JYOTI SUBARWAL

President- Finance

& Operations
(Chief Financial Officer)

DINESH C. KOTHARI

Director

DIN : 00195609

SHIV KUMAR JATIA

Chairman & Managing Director

DIN : 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN : 02781300

Place: New Delhi

Dated: 28th May, 2014

ASIAN HOTELS (NORTH) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

A. CASH FLOW FROM OPERATING ACTIVITIES	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
PROFIT BEFORE TAX BUT AFTER EXCEPTIONAL/EXTRA ORDINARY ITEMS	4,285.45	4,445.05
Adjustments for:		
Depreciation and amortisation	1,142.56	1,196.00
Interest and finance charges	4,935.37	3,199.52
Interest income	(998.26)	(2,037.30)
Income from Investment - dividends	(0.15)	(0.07)
(Gain)/Loss on fixed assets sold/ discarded (net)	(2,682.89)	15.04
Net unrealised (gain)/loss on foreign currency transaction and translation	(226.14)	(826.20)
Bad debts / advances written off	2.22	2.85
Provision for bad & doubtful debts/advances (written back)	(2.03)	(0.67)
Liability no longer required written back	(29.38)	(121.34)
Provision no longer required written back	(176.82)	(41.13)
Provision for gratuity and leave encashment/ (written back)	(162.25)	8.52
Prior period expenses/(income) (net)	8.02	11.23
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6,095.70	5,851.50
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	(635.06)	(25.61)
(Increase)/decrease in inventories	23.33	(78.99)
Increase/(decrease) in trade payables, other liabilities and provisions	(4,392.17)	3,509.56
CASH GENERATED FROM OPERATIONS	1,091.80	9,256.46
Income taxes paid	(728.47)	(1,932.39)
Prior period (expenses)/income (net)	(8.02)	(11.23)
NET CASH FROM OPERATING ACTIVITIES	355.31	7,312.84
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets		
Additions during the year	(1,305.66)	(319.60)
Capital work-in-progress		
Deductions/(additions) during the year	(4,560.15)	(10,137.42)
Proceeds from sale of fixed assets	9,223.46	40.24
Proceeds of Foreign Currency Loan from subsidiary*	45,669.77	—
Purchase of investments*	(49,403.21)	—
Investments in bank deposits (with original maturity over 3 months)	(27.55)	(236.40)
Proceeds from bank deposits (with original maturity over 3 months)	162.31	4.78
Interest received*	3,941.51	43.78
Dividend received	0.15	0.07
{* Refer Note 13 (a) and (b)}		
NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES	3,700.63	(10,604.55)

ASIAN HOTELS (NORTH) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

C. CASH FLOW FROM FINANCING ACTIVITIES

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Proceeds from long-term borrowings		
Receipts	12,915.58	24,985.19
Payments	(9,118.18)	(20,015.03)
Proceeds from short-term borrowings		
Receipts	13,650.00	4,782.87
Payments	(8,955.17)	(3,208.36)
Redemption of Cumulative Redeemable Non-Convertible Preference Shares	(4,410.00)	—
Interest and finance charges	(4,748.62)	(2,946.22)
Dividend paid	(199.41)	(296.73)
Dividend tax paid	(33.89)	(48.13)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(899.69)	3,253.59
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,156.25	(38.12)
CASH AND CASH EQUIVALENTS - OPENING	156.28	194.40
CASH AND CASH EQUIVALENTS - CLOSING	3,312.53	156.28
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,156.25	(38.12)

NOTES:

- 1 The above cash flow statement has been prepared under the "Indirect method" set out in the Accounting Standard- 3 on Cash Flow Statements.
- 2 Figures in bracket indicate cash outflow.
- 3 Previous year figures have been regrouped and recast wherever necessary to conform to current year's classification.
- 4 Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

	As At 31 st March 2014 (Rs. In Lakhs)	As At 31 st March 2013 (Rs. In Lakhs)
Balances with banks		
In current accounts	247.12	25.36
In deposits with original maturity of less than 3 months	3,004.35	53.63
Cheques, draft on hand	39.53	40.59
Cash on hand	21.53	36.70
	3,312.53	156.28

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

VIKAS VIG

Partner

Membership Number: 16920

JYOTI SUBARWAL

President- Finance

& Operations

(Chief Financial Officer)

DINESH C. KOTHARI

Director

DIN : 00195609

SHIV KUMAR JATIA

Chairman & Managing Director

DIN : 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN : 02781300

Place: New Delhi

Dated: 28th May, 2014

ON BEHALF OF THE BOARD OF DIRECTORS

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1. Corporate information

Asian Hotels (North) Limited is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is operating a Five Star deluxe Hotel namely Hyatt Regency in Delhi since 1982.

2. Significant accounting policies

a) Basis of preparation of financial statements

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and the relevant provisions of the Act. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed assets, depreciation/amortisation and Capital Work-in-progress

(i) Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss, if any, less depreciation/ amortisation. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put to use. Assessment of indication of impairment of an asset is made at the year end and impairment loss, if any, recognised. The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of depreciable assets to the cost of the asset and depreciates the same over the remaining life of the asset.

(ii) Depreciation on Tangible Fixed Assets:

- (a) Depreciation as per straight line method has been charged in the accounts based on circular no 1/86 of the Department of Company Affairs;
- (b) On the assets acquired on or after 2.4.87 at the rates as prescribed under Schedule XIV to the Companies Act, 1956, pro-rata from the month of purchase. If purchased on or before 15th of the month, depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.
- (c) Depreciation is provided from the date of installation/acquisition on a pro-rata basis. Depreciation on assets is provided as per the rates specified in Schedule XIV to the Companies Act, 1956. Assets individually costing Rs. 5,000/- or less are depreciated fully in the year when they are put to use.
- (d) On the assets prior to 2.4.87 at the rates computed in the respective years of acquisition of those assets on the basis of rates specified by the Income Tax Act, 1961 and the rules made there under in terms of Section 205(2) (b) of the Companies Act, 1956 without making any adjustment in respect of excess depreciation provided for in the earlier years amounting to Rs.244.16 Lakhs.
- (e) Depreciation on leasehold improvements is being charged equally over the period of the lease.
- (f) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve Account.
- (g) No depreciation is charged on the assets sold/ discarded during the year.

(iii) Amortization of Intangible Fixed Assets:

Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

(iv) Capital Work-in-progress:

Capital work-in-progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period to be capitalized as part of construction cost to the extent to which these expenditures are specifically attributable to the construction. Interest income earned on temporary investment of funds brought in for the project during construction period has been set off from the interest expense accounted for as expenditure during the construction period.

d) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows of next five years projections estimated based on current prices. In respect of the assets at the subsidiary at each balance sheet date the impairment testing is based on the realizable value of underlying assets as tested by the Board of Directors of the subsidiary.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

e) **Foreign Currency Transactions**

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise.

For exchange differences arising on certain long-term foreign currency monetary items, refer to note 2d above on tangible fixed assets.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

f) **Revenue recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically,

- (i) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer.
- (ii) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Dividend income from investments is recognized when the Company's right to receive payment is established.
- (iv) Income from generation of electricity is recognized when the actual generated units are transferred and billed to the buyer.
- (v) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

g) **Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments or short-term investments. All other investments are classified as non-current investment or long-term investments. Current investments are valued at lower of cost and fair value determined on an individual investment basis. Changes in the carrying amount of current investments are recognized in the statement of profit and loss. Non-current investments are valued at cost. However, provision for diminution in value is made to recognize a decline that is other than temporary in the value of investments, wherever considered necessary. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

h) **Inventories**

Inventory is valued at cost or net realizable value whichever is lower. The cost is determined by weighted average method.

Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.

i) **Retirement benefits**

Retirement benefit costs for the year are determined on the following basis:

- (i) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to the statement of profit and loss of the year when the contribution to the respective fund is due. There is no obligation other than the contribution payable to the respective fund.
- (ii) Provision for Employees' Gratuity is based on actuarial valuation as on the date of balance sheet. All actuarial gains/losses arising during the accounting year are recognized immediately in the statement of profit and loss as income or expense.
- (iii) Accrual for leave encashment benefit is based on actuarial valuation as on the date of balance sheet in pursuance of the Company's leave rules.

j) **Income and Deferred Taxes**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Company operates.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset on unabsorbed depreciation and carry forward losses is recognized only to the extent that there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date, the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

k) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

l) Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reasonable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will be required to settle the obligations. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

o) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and cash/cheques on hand and short term deposits with banks with an original maturity of not more than three months.

p) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

3 SHARE CAPITAL

AUTHORISED

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
40,000,000 Equity Shares of Rs. 10 each	4,000.00	4,000.00
30,000,000 Preference Shares of Rs. 10 each	3,000.00	3,000.00

ISSUED, SUBSCRIBED & PAID UP

19,453,229 Equity Shares of Rs. 10 each fully paid up	1,945.32	1,945.32
Nil (Previous Year 4,900,000) 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs. 10 each fully paid	–	490.00

{NCPS were due and redeemed on 30th June, 2013, at the issue price (including premium) of Rs. 90/- per share aggregating to Rs. 4,410.00 Lakhs, as per the revised schedule of redemption as consented by the holder thereof, namely Magus Estates and Hotels Limited (Magus), which during the previous year ceased to be a subsidiary of the Company}

1,945.32	2,435.32
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(a) Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March, 2014, the amount of per share dividend proposed as distribution to equity shareholders is Rs. 1.00 (31st March, 2013: Rs. 1.00).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) The details of shareholders holding more than 5% shares are set out below:

Name of shareholder	As at 31 st March 2014		As at 31 st March 2013	
	No. of Shares	% Shares	No. of Shares	% Shares
Equity Shares of Rs. 10 each fully paid up				
Fineline Holdings Limited, (an overseas entity)	7,360,645	37.84	7,360,645	37.84
Yans Enterprises (H.K.) Limited, (an overseas entity)	5,336,880	27.43	5,336,880	27.43
NCPS of Rs. 10 each fully paid up				
Magus Estates and Hotels Limited, an erstwhile subsidiary company	–	–	4,900,000	100.00

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(c) The reconciliation of the number of shares outstanding as at 31st March, 2014 and 31st March, 2013 is set out below:

Particulars	As at	
	31 st March 2014	31 st March 2013
Equity Shares of Rs. 10 each fully paid		
Number of shares in the beginning	19,453,229	19,453,229
Add: Shares issued during the year	–	–
Less: Shares bought back	–	–
Number of shares at the end	19,453,229	19,453,229
NCPS of Rs. 10 each fully paid up		
Number of shares in the beginning	4,900,000	4,900,000
Add: Shares issued during the year	–	–
Less: Shares redeemed during the year	(4,900,000)	–
Number of shares at the end	–	4,900,000

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (d) Aggregate number and class of shares allotted for consideration other than cash / bought back during the period of five years immediately preceding 31st March, 2014:

Particulars	31 st March 2013	31 st March 2012	31 st March 2011	31 st March 2010	31 st March 2009
Increase of Equity shares of Rs. 10 each*	—	—	—	11,401,782	—
Reduction of Equity shares of Rs. 10 each**	—	—	—	22,803,564	—

* Capitalisation of General reserves to the tune of Rs. 1,140.18 Lakhs as per the terms of the Scheme of Arrangement and Demerger for the purposes of allocation of capital among the demerging entities.

** Represents allocation of capital among resulting entities as per the terms of the Scheme of Arrangement and Demerger.

4 RESERVES & SURPLUS

	Additions	Deductions	31 st March 2014	31 st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
Capital Reserve	—	—	1.41	1.41
Capital Redemption Reserve for redeemed NCPS	490.00	—	990.00	500.00
Capital Redemption Reserve for redeemable NCPS	—	(490.00)	—	490.00
Securities Premium Account	—	(3,920.00)	32,994.83	36,914.83
General Reserve	—	—	3,747.19	3,747.19
Tourism Development Utilised Reserve	—	—	5,332.02	5,332.02
Revaluation Reserve	—	(53.91)	19,335.25	19,389.16
Surplus in Statement of Profit and Loss	—	(2,593.91)	15,925.79	18,519.70
	490.00	(7,057.82)	78,326.49	84,894.31

- (a) On redemption of NCPS the reserve created for redemption was transferred to Capital Redemption Reserve for redeemed NCPS. Deduction in Securities Premium Account represents premium paid on redemption of NCPS.

- (b) Deduction to Revaluation Reserve represents amount withdrawn on account of depreciation during the year.

- (c) Surplus in Statement of Profit and Loss

Opening balance	18,519.70	16,102.37
Add: Profit /(Loss) for the year	(2,366.32)	2,944.65
Amount available for appropriation	16,153.38	19,047.02
Less: Appropriations		
Proposed dividend on equity shares	194.53	194.53
Dividend on preference shares	—	4.90
Dividend distribution tax	33.06	33.89
Amount transferred to general reserve	—	294.00
Total	227.59	527.32
Closing balance	15,925.79	18,519.70

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

5 LONG-TERM BORROWINGS

	Non-Current		Current	
	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
SECURED				
TERM LOANS				
FROM BANKS				
DBS Bank Limited				
-External commercial borrowings				
USD 578.94 Lakhs & SGD 236.88 Lakhs (Previous Year USD 849.44 Lakhs)	41,735.76	40,803.83	4,336.98	4,509.22
Axis Bank Limited-Rupee loan	19,900.00	20,000.00	1,600.00	—
IDBI Bank Limited-Rupee loan	4,500.00	—	—	—
ING Vysya Bank Limited-Rupee loan	4,485.58	4,309.22	361.15	120.00
Yes Bank Limited-Rupee loan	2,920.00	500.00	80.00	—
ICICI Bank Limited- Rupee loan	174.05	—	123.66	—
For business of generation of electricity (Refer Note 28 on Segment Reporting)				
ING Vysya Bank Limited-Rupee loan	343.14	539.40	196.25	196.25
For acquisition of vehicles				
Axis Bank Limited- Rupee loan	22.95	14.93	23.78	14.82
ICICI Bank Limited- Rupee loan	—	—	—	22.37
FROM FINANCIAL INSTITUTION				
For acquisition of vehicles				
Kotak Mahindra Prime Limited - Rupee loan	17.69	31.02	22.74	28.01
	74,099.17	66,198.40	6,744.56	4,890.67
Amount disclosed under the head "Other Current Liabilities" (Note 11)			(6,744.56)	(4,890.67)
	74,099.17	66,198.40	—	—

There is no continuing default in repayment of loans and interest as on 31st March, 2014. One loan repayment installment which became due on 28th of March, 2014 was paid on 2nd April, 2014 due to bank holidays.

Nature of security and terms of repayment for secured long term borrowings:

- DBS Bank Limited -External commercial borrowings (carried interest range 4.10% to 5.95% per annum) are secured / to be secured by exclusive first charge of land & building of Hotel Hyatt Regency Delhi; Personal guarantee of Chairman & Managing Director, pledge of shares held by him and pledge of shares representing Company's investment in foreign subsidiary Company. External Commercial Borrowings are repayable as under: (i). SGD 236.88 Lakhs is payable in 13 quarterly installments up to June, 2018; (ii). USD 477.00 Lakhs is payable in 9 semi-annual installments commencing from October, 2014 and; (iii). USD 101.94 Lakhs is payable in 12 semi-annual installments commencing from April, 2014.
- Axis Bank Limited -Rupee loan (carried interest range @ 12.50% to 13.00% per annum) is secured by exclusive mortgage charge on six floors (Service Apartments) in the new tower/ building in the existing Hyatt Regency Hotel complex, second exclusive mortgage charge on the land and building pertaining to the existing Hyatt Regency Hotel complex, first pari-passu hypothecation charge on the moveable fixed assets of the Company - both present & future and Personal guarantee of Chairman & Managing Director. Rupee Loan are repayable as under: (i) Rupee Loan of Rs 20,000 Lakhs is payable in unequal quarterly installments up to March, 2023 commencing from December, 2014; (ii) Rupee Loan of Rs 1,500 Lakhs is payable by August, 2014.
- IDBI Bank Limited - Rupee loan (carried interest @ 13.00% per annum) is secured by first pari passu charge on land and building of existing Hotel block (Hyatt Regency, New Delhi) along with DBS Bank Limited (Excluding new tower which is mortgaged exclusively to Axis Bank and ING Vysya Bank Limited); unconditional and irrevocable personal guarantee of Chairman & Managing Director. Repayable in 18 unequal quarterly instalments commencing from October, 2015.
- ING Vysya Bank Limited -Rupee loan (carried interest @12.55% per annum) is secured by exclusive mortgage charge on two floor (Service Apartments) in the new tower/ building in the existing Hyatt Regency Hotel complex, first pari-passu hypothecation charge on the moveable fixed assets of the Company - both present & future and Personal guarantee of Chairman & Managing Director. Repayable in 84 monthly installments up to September, 2020, repayment started from October, 2013.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (e) Yes Bank Limited -Rupee loan (carried interest range @ 11.75% to 12.50% per annum) is secured by first pari-passu charge on hotel Land & Building of Hyatt Regency Delhi, second pari-passu charge on current assets (both present and future); pledge on shareholding of Chairman & Managing Director, his associates, Asian Holdings Private Limited and other group companies (total 7.2% shareholding) in the Company; Exclusive charge by way of equitable mortgage of properties owned by two other companies belong to relatives of Directors; pledge on 30% shareholding of Chairman & Managing Director in RSJ Developers Private Limited; unconditional and irrevocable personal guarantee of Chairman & Managing Director and unconditional, irrevocable corporate guarantee of WEL Intertrade Private Limited and unconditional and irrevocable personal guarantee of Mr. Amrutesh Jatia. Repayable in 16 quarterly installments up to January 2018, starting from April, 2014. Form-8 for creation of charges as per the regulations of Companies Act, 1956 with Registrar of Companies is yet to be filed for new loan sanction amounting to Rs. 5,000/- Lakhs during the year.
- (f) ICICI Bank-Rupee loan (carried interest @11.41% per annum) is secured against hypothecation of 16 vehicles. Balance repayable in monthly installments up to June, 2016. Form-8 for creation of charges as per the regulations of Companies Act, 1956 with Registrar of Companies is yet to be filed.
- (g) ING Vysya Bank-Rupee loan for business of generation of electricity (carried interest @12.55% per annum) is secured by first charge and/or hypothecation of freehold land, plant & machinery and book-debts pertaining to the windmills situated at Sinner & Sangli in Maharashtra and personal guarantee of Chairman & Managing Director. Balance repayable in 15 equal installment up to October, 2016.
- (h) Axis Bank-Rupee loan for acquisition of vehicles (carried interest @9.32% to 11.12% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to July, 2016. Form-8 for creation of charges as per the regulations of Companies Act, 1956 with Registrar of Companies is yet to be filed.
- (i) ICICI Bank-Rupee loan for acquisition of vehicles (carried interest @7.75% to 8.50% per annum) is secured against hypothecation of certain vehicles. Balance repaid during the year.
- (j) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carried interest @7.50% to 10.28% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to December, 2018. Form-8 for creation of charges as per the regulations of Companies Act, 1956 with Registrar of Companies is yet to be filed.
- (k) The details of repayment of long-term borrowings as at 31st March, 2014 are as follow:

Particulars	Up to 1 year (Rs. In Lakhs)	2 to 5 years (Rs. In Lakhs)	Above 5 years (Rs. In Lakhs)	Total (Rs. In Lakhs)
Secured term loans				
From banks	6,721.82	55,386.95	18,694.53	80,803.30
From financial institution	22.74	17.69	—	40.43
Unsecured term loans	—	—	—	—
Total	6,744.56	55,404.64	18,694.53	80,843.73

6	DEFERRED TAX LIABILITIES (NET)	Increase / (Decrease) (Rs. In Lakhs)	31st March 2014 (Rs. In Lakhs)	31st March 2013 (Rs. In Lakhs)
	Deferred tax liabilities /(assets) on account of timing differences:			
	Depreciation	1,291.19	3,285.40	1,994.21
	Provision for employees benefits	55.14	(266.86)	(322.00)
	Provision for doubtful debts	0.69	—	(0.69)
	Other statutory dues	(65.78)	(657.77)	(591.99)
	Demerger expenses	141.87	—	(141.87)
		1,423.11	2,360.77	937.66
7	OTHER LONG-TERM LIABILITIES		31st March 2014 (Rs. In Lakhs)	31st March 2013 (Rs. In Lakhs)
	Security deposits received		195.90	2,272.90
			195.90	2,272.90

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

The above includes Rs. 195.90 Lakhs (Previous Year Rs. 197.90 Lakhs) received as refundable interest free security deposit against leasing of shopping space in Hotel Hyatt Regency, Rs. Nil (Previous Year Rs. 1,075 Lakhs) received as refundable interest free security deposit against leasing of commercial/ office space in Hotel Suites Project and Rs. Nil (Previous Year Rs. 1,000 Lakhs) received as refundable interest free security deposit for parking space in the Hotel Suites Project.

8 PROVISIONS	LONG-TERM		SHORT-TERM	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Provision for employee benefits				
Gratuity	393.00	469.23	254.49	234.21
Leave encashment	107.86	195.81	29.75	48.10
Provision for taxation (net of Advance Income Tax)	—	—	279.23	135.15
Proposed dividend on equity shares	—	—	194.53	194.53
Dividend on preference shares	—	—	—	4.90
Corporate dividend tax	—	—	33.06	33.89
	500.86	665.04	791.06	650.78

9 SHORT-TERM BORROWINGS	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
-------------------------	---	---

SECURED

Loans repayable on demand from banks

Overdraft facilities

- DBS Bank Limited	2,371.57	2,254.47
- Yes Bank Limited	1,531.60	491.27
- ING Vysya Bank Limited	91.82	
	3,994.99	2,745.74

UNSECURED

Other Loans and advances from

- ING Vysya Bank Limited (carries interest @ 12.20% per annum)	—	249.42
--	---	--------

(Secured by personal guarantee of Chairman & Managing Director and collateral security given by two companies in which Chairman & Managing Director is interested.)

Others

- Inter-corporate Loans (carries interest @ 12.00% to 20.00% per annum)	5,150.00	1,455.00
	5,150.00	1,704.42
	9,144.99	4,450.16

- DBS Bank Limited - Overdraft facilities (carries interest @ 12.00% per annum) and is secured against hypothecation of Inventories of Hotel Hyatt Regency, Delhi.
- Yes Bank Limited - Overdraft facilities (carried interest @ 11.50% per annum) is secured by pledge on shareholding of Chairman & Managing Director, his associates, Asian Holdings Private Limited and other group companies (total 7.2%) in the Company; Exclusive charge by way of equitable mortgage of properties owned by two other companies belong to relatives of Directors; pledge on 30% shareholding of Chairman & Managing Director in RSJ Developers Private Limited; unconditional and irrevocable personal guarantee of Chairman & Managing Director and unconditional, irrevocable corporate guarantee of WEL Intertrade Private Limited and unconditional and irrevocable personal guarantee of Mr Amritesh Jatia, Director.
- ING Vysya Bank Limited - Overdraft facilities (carried interest @ 12.20% per annum) is secured against hypothecation of stocks and book debts of Hotel Hyatt Regency, Delhi.
- There is no continuing default in repayment of loans and interest as on 31st March 2014.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

10 TRADE PAYABLES

Trade payables

- For Goods and Services*

31st March 2014 31st March 2013
(Rs. In Lakhs) (Rs. In Lakhs)

1,356.97 1,304.26

1,356.97 1,304.26

* includes due to Micro, Small & Medium Enterprises

11 OTHER CURRENT LIABILITIES

Current maturities of long-term borrowings (Refer Note 5)

Interest accrued but not due on borrowings

Unpaid/ unclaimed dividends

Other Payables

Advance from customers

Payables for capital goods

Security deposits (interest free)

Statutory liabilities

Others

31st March 2014 31st March 2013
(Rs. In Lakhs) (Rs. In Lakhs)

6,744.56 4,890.67

1,176.49 989.74

26.07 44.78

8,319.35 12,138.21

565.83 560.93

4,501.19 4,431.66

3,569.23 3,198.58

2,493.42 1,688.82

27,396.14 27,943.39

(a) Advances from customers includes Rs. 7,707.97 Lakhs (Previous Year Rs. 11,500 Lakhs) received from prospective buyers against agreements for sale/ fit outs of certain constituents forming part of the Hotel Suites Project. Out of the above, agreements for sale/ fit outs for Rs. 2,500 Lakhs were cancelled and being refunded in subsequent year.

(b) Security deposits (interest free) includes Rs. 1,400 Lakhs (Previous Year Rs. 1,400 Lakhs) received from a company in which certain relatives of directors of the Company are interested and Rs. 3,020 Lakhs (Previous Year Rs. 3,020 Lakhs) received from other entities against expression of interest for a Joint Venture with the Company in respect of its KOLKATA PROJECT {Refer Note 14(a)}.

(c) Statutory liabilities includes provision for difference of property tax along with interest thereon amounting to Rs. 3,121.80 Lakhs (Previous Year 2,705.28 Lakhs) {Refer Note 27A(b)}.

12 FIXED ASSETS

(Rs. In Lakhs)

Description	GROSS BLOCK			DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at 01.04.2013	Additions during the year	Deduc- tions/ Ad- justments during the year	As at 31.03.2014	Upto 31.03.2013	For the year	Deduc- tions/ Ad- justments during the year	Upto 31.03.2014	As at 31.03.2014
Tangible assets									
Land (freehold)	80,074.28	—	—	80,074.28	—	—	—	—	80,074.28
Buildings	10,669.79	22,279.14	5,972.04	26,976.89	1,857.06	197.74	—	2,054.80	24,922.09
Plant and Equipments	10,854.26	3,900.37	331.03	14,423.60	4,451.09	498.45	16.08	4,933.46	9,490.14
Furniture, Fixtures and Furnishing	5,503.62	1,422.05	1.96	6,923.71	3,055.50	397.67	1.91	3,451.26	3,472.45
Vehicles	1,499.00	372.86	837.17	1,034.69	893.93	102.61	583.64	412.90	621.79
Total	108,600.95	27,974.42	7,142.20	129,433.17	10,257.58	1,196.47	601.63	10,852.42	118,580.75
Intangible assets									
Total	—	—	—	—	—	—	—	—	—
Grand Total	108,600.95	27,974.42	7,142.20	129,433.17	10,257.58	1,196.47	601.63	10,852.42	118,580.75
Previous Year	107,444.23	1,325.11	168.39	108,600.95	9,120.78	1,249.91	113.11	10,257.58	—
Capital Work-in-progress (refer note 12A)									6,710.63
									125,291.38

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (a) The Company, based on the report by a Certified Valuer, had revalued land and building of Hotel Hyatt Regency Delhi (the land and building being more than twenty years old) by adopting Cost of Contractor's method, on 28th February 2007 at Rs. 85,700 Lakhs. The same resulted in an increase in the value of land and building of an amount of Rs. 82,131.81 Lakhs, and therefore, an equivalent amount had been credited to the Revaluation Reserve.

- (b) Due to increase in the value of assets, as stated above, there was an additional charge of Rs. 53.91 Lakhs (Previous Year Rs. 53.91 Lakhs), for the current year, on account of depreciation. Resultantly, an equivalent amount of Rs. 53.91 Lakhs (Previous Year Rs. 53.91 Lakhs) has been withdrawn from the Revaluation Reserve and credited to the statement of profit and loss.

- (c) Building includes leasehold improvement:

Gross value	32.42	32.42
Accumulated depreciation	30.82	25.91
Depreciation charge for the year	4.91	7.66
Net value	1.60	6.51

- (d) Vehicles includes those financed:

Gross value	547.93	348.56
Net value	339.36	267.26

- (e) Land (freehold) and Plant and Equipments includes assets relating to the business of generation of electricity (Refer Note 28 on Segment Reporting)

Land (freehold)		
Gross value	34.00	34.00
Net value	34.00	34.00
Plant and Equipments		
Gross value	1,857.02	1,857.02
Net value	1,268.71	1,366.76

- (f) Delhi Development Authority vide Notification No. 2034E dated 12.08.2008 has, subject to fulfillment of certain conditions, granted an additional FSI, which in case of the Company, works out to approx. 15000 square meters. The Company is in the process of utilizing the aforesaid additional FSI partially for expansion of the existing facilities (EXPANSION PROJECT) and the balance as a new Serviced Apartments Block with permitted commercial area (Hotel Suites Project) at Hotel Hyatt Regency Delhi. During the year Hotel Suites Project has been completed and capitalised.

12A. Capital Work-in-progress consists of:

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Balance at the beginning of the year	26,968.77	20,019.74
Building under construction	474.74	1,722.01
Technical and consultancy fees	83.55	326.46
Kitchen Equipments	8.13	160.91
Mock up room cost	1.45	6.52
Plumbing and sanitation	37.98	204.01
Air conditioning under installation	148.72	99.09
Generators under installation	9.03	1.65
Elevators under installation and others	102.61	48.18
Furniture and Fixtures	131.51	1,174.39
Fire fighting equipments	48.95	57.08
Office, Housekeeping and other equipments	1.72	35.63
Music, TV and Cinematograph	4.18	47.86
Electrification	72.15	164.82
Expenditure during construction {Refer Note (a) below}	5,285.90	3,905.93
	33,379.39	27,974.28
Less: Capitalised during the year	(26,668.76)	(1,005.51)
Balance at the end of the year	6,710.63	26,968.77

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (a) All other expenses specifically attributable to construction have been accounted for as expenditure during construction. The Company has prepared the following Statement of Expenditure during Construction:

STATEMENT OF EXPENDITURE DURING CONSTRUCTION

Employee benefits expenses	196.04	243.61
Legal and professional charges (Including loan processing and arranging fees)	87.71	36.15
Rates and taxes	0.19	1.85
Insurance cost	9.60	14.25
Travelling expenses	38.17	87.14
Interest expenses	3,142.56	2,758.85
Net loss on foreign currency transaction and translation	1,692.83	695.43
Miscellaneous	118.80	68.65
	5,285.90	3,905.93

- (b) Interest expenses and net loss on foreign currency transaction and translation are related to certain loans (including foreign currency external commercial borrowings) taken for projects under construction.
- (c) The Ministry of Corporate Affairs vide Notification dated March 31, 2009, as amended from time to time, had given an option to the companies whereby the exchange differences pertaining to long term foreign currency monetary items relating to acquisition of a depreciable asset can be added to or deducted from the cost of asset and shall be depreciated over the balance life of the asset. The Company had adopted the said option given under paragraph 46 of Accounting Standard (AS) 11. Accordingly, the total net loss on foreign currency transaction and translation on long term foreign currency loans relating to projects under construction is included in capital work-in-progress, as a part of fixed assets.

13 NON-CURRENT INVESTMENTS

31st March 2014 31st March 2013
(Rs. In Lakhs) (Rs. In Lakhs)

Trade Investments (valued at cost)

Unquoted

- in Foreign wholly owned Subsidiary

94,295,582 (Previous Year 11,910,114)Ordinary Shares of no par value of Fineline Hospitality & Consultancy Pte Ltd, Mauritius (FHCPL)

54,653.62 5,251.41

Less: provision for Impairment on value of investments

(5,119.60) —

49,534.02 5,251.41

10,193,679 5% Cumulative Redeemable Preference Shares (CRPS) of USD 1.00 each fully paid up of Fineline Hospitality & Consultancy Pte Ltd, Mauritius#

6,126.38 5,544.27

- in Indian wholly owned Subsidiary

10,000 (Previous Year Nil) Equity shares of Rs. 10 each fully paid of Newtown Hospitality Private Limited

1.00 —

{including one share held through Chairman and Managing Director of the Company as nominee}

55,661.40 10,795.68

Aggregate amount of unquoted investments

55,661.40 10,795.68

Aggregate provision for diminution on value of investments

5,119.60 —

The value enhancement is solely on account of change in exchange rate on the stated foreign currency amount invested.

- (a) During the financial year 2011-12, 76782214 3.5% Optionally Convertible Redeemable Preference Shares of USD 1 each held by the Company in FHCPL were prematurely redeemed and the redemption proceeds of USD 76.78 million were converted into a foreign currency loan effective 30th September, 2011. Interest accrued on the said loan for 18 months period ended 31st March, 2013, amounting to USD 5.42 million was due and payable on that date. The interest amount of USD 5.42 million and a part of the said loan, to the extent of USD 31.73 million, aggregating to USD 37.15 million were deployed to subscribe additional 36,089,886 No Par Value ordinary shares of FHCPL on 1st April, 2013.
- (b) Additionally, on 14th November, 2013 the balance loan to FHCPL of USD 45.05 million along with accrued interest for the period from 1st April, 2013 to 14th November, 2013 of USD 1.24 million are also deployed to subscribe additional 46,295,582 No Par Value ordinary shares of FHCPL.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (c) The Company through its overseas subsidiary FHCPL holds 79.81% of the shareholding of Leading Hotels Limited, India (Leading). The total equity value of Leading as determined by a certified valuer was Rs. 705.40 Crores. With the appreciation of the US\$ as against INR, the investment value to the extent it exceeded the said market value amounting to Rs.5,119.60 Lakhs has been provided as impairment on value of investment in books of the Company as on 31st March, 2014.

14 LOANS AND ADVANCES (Unsecured, considered good)	NON-CURRENT		CURRENT	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Capital advances	7,320.53	7,473.27	—	—
Security Deposits	89.81	91.21	20.27	14.30
Loans and advances to related parties				
Foreign Currency loan to Fineline Hospitality & Consultancy Pte. Ltd., Mauritius, a wholly owned subsidiary {USD Nil (Previous Year USD 76.78 Million)}	—	41,761.31	—	—
Other loans and advances				
Advances recoverable in cash or in kind or for value to be received*	15.75	19.79	1,324.84	495.61
Prepaid expenses	33.46	46.92	289.99	352.41
Advance Income Tax (net of provision for taxation)	68.73	74.48	—	1.46
Minimum Alternate Tax (MAT) credit available	770.70	—	—	—
Service Tax recoverable	—	—	0.11	2.24
Value Added Tax (VAT) recoverable	—	—	50.94	45.29
	8,298.98	49,466.98	1,686.15	911.31
*includes loans to employees	15.75	19.79	10.81	21.37

- (a) In response to a financial bid made to West Bengal Housing Infrastructure Development Corporation Limited (WBHIDCO), the Company had been offered an allotment of a plot of land measuring six acres (approx.) on freehold basis for setting up of a five star hotel and allied facilities (KOLKATA PROJECT). Capital advances includes Rs. 5,942.57 Lakhs paid against said allotment, which represents 100 % of the total cost of said allotted land. Capital advance also includes Rs. 12.98 Lakhs (Previous Year Rs. Nil) for registration of said land in the name of the Company. Post 31st March, 2014, the land has been registered in the name of the Company.

15 OTHER ASSETS (Unsecured, considered goods)	NON-CURRENT		CURRENT	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Interest accrued on fixed deposits with banks	—	8.90	20.85	6.16
Interest accrued on foreign currency Loan to:				
Fineline Hospitality & Consultancy Pte. Ltd., Mauritius, a wholly owned subsidiary {USD Nil (Previous Year USD 5.42 Million)}	—	—	—	2,949.04
Non-current bank balances (Refer Note 18)	—	259.73	—	—
	—	268.63	20.85	2,955.20

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

16 INVENTORIES	31st March 2014	31st March 2013
(valued at lower of cost and net realizable value)	(Rs. In Lakhs)	(Rs. In Lakhs)
Wines and liquor	304.92	256.68
Provisions, other beverages and smokes	68.44	92.57
Crockery, cutlery, silverware, linen etc.	137.25	164.91
General stores and spares	100.34	120.12
	610.95	634.28
- As per inventory taken and valued by the Management		
17 TRADE RECEIVABLES	31st March 2014	31st March 2013
(Unsecured)	(Rs. In Lakhs)	(Rs. In Lakhs)
Outstanding for a period exceeding six months		
Considered good	135.74	117.01
Considered doubtful	—	2.03
Others		
Considered good	861.00	1,002.26
	996.74	1,121.30
Less: Provision for doubtful debts	—	(2.03)
	996.74	1,119.27
Trade receivables includes:		
- due from Energy Infrastructure (I) Limited, a company in which director of the Company is director	1.23	4.48
- debts related to generation of electricity business (Refer Note 28 on Segment Reporting)	23.57	29.34
18 CASH AND BANK BALANCES	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Cash and Cash Equivalents		
Balances with banks		
In Current Accounts	247.12	25.36
In Deposits with original maturity of less than 3 months*	3,004.35	53.63
Cheque, draft on hand	39.53	40.59
Cash on hand	21.53	36.70
	3,312.53	156.28
Other Bank Balances		
Balances with banks		
In Unpaid Dividend Accounts #	26.14	44.87
In Deposits with original maturity of more than 3 months but less than 12 months**	212.55	87.58
In Deposits with original maturity of more than 12 months***	—	259.73
	238.69	392.18
Amount disclosed under Non-Current Assets (Note 15)	—	(259.73)
	3,551.22	288.73
# includes excess deposit due to rounding-off of dividend payable on fractional shares	0.07	0.09
* includes given as security deposit to The Assessor & Collector, Municipal Corporation, Mumbai - Octroi	—	39.67
* under lien against guarantee given for loan taken by Leading Hotels Limited, a subsidiary	3,000.00	—
** includes as margin money deposit against bank guarantee	—	66.38
** includes as margin money deposit against letter of credits	—	16.00
** includes as margin money deposit against borrowings from banks	212.50	—
*** includes as margin money deposit against bank guarantee	—	47.23
*** includes as margin money deposit against borrowings from banks	—	212.50

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

19 REVENUE FROM OPERATIONS	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
ROOMS, FOOD, BEVERAGES AND OTHER SERVICES		
Room income	10,384.92	10,478.97
Wines and liquor	1,958.41	1,910.86
Food, other beverages, smokes and banquets	7,106.51	6,133.93
Communications	72.78	88.79
Others*	3,285.60	3,003.14
	22,808.22	21,615.69
*Includes related to generation of electricity business (Refer Note 28 on Segment Reporting)	242.33	234.10
20 OTHER INCOME	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Interest Received/Receivable		
From banks	210.04	20.58
From subsidiary	783.40	1,983.79
From others	4.82	32.93
Dividend received on non-trade investments	0.15	0.07
Excess provisions no longer required written back	176.82	41.13
Credit balances written back	29.38	121.34
Provision for doubtful debts/ advances written back	2.03	0.67
Net gain on sale of fixed assets	2,682.89	-
Net gain on foreign currency transaction and translation (other than considered as finance cost)	2,616.34	2,842.92
Miscellaneous income	7.63	8.61
	6,513.50	5,052.04
21 CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
WINES AND LIQUOR		
Opening Stock	256.68	195.53
Add : Purchases	658.41	639.04
	915.09	834.57
Closing Stock	(304.92)	(256.68)
	610.17	577.89
PROVISIONS, OTHER BEVERAGES AND SMOKES		
Opening Stock	92.57	97.51
Add : Purchases	2,302.48	2,128.60
	2,395.05	2,226.11
Closing Stock	(68.44)	(92.57)
	2,326.61	2,133.54
	2,936.78	2,711.43
Percentage of total consumption between:		
Indigenous 77.38% (Previous Year 76.99%)	2,272.47	2,087.53
Imported 22.62% (Previous Year 23.01%)	664.31	623.90

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

22 EMPLOYEE BENEFITS EXPENSES

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Salaries and wages	4,065.61	4,044.83
Contribution to provident and other funds	221.61	227.16
Contract labour and services	706.37	629.00
Staff welfare expense *	478.72	529.19
Recruitment and training	58.96	66.78
	5,531.27	5,496.96

* includes :

Cost of provisions consumed in staff cafeteria	250.29	228.57
Realisation on sale of food coupons to staff	(27.24)	(21.11)

23 OTHER EXPENSES

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
--	---	---

OPERATING, ADMINISTRATION AND GENERAL EXPENSES

Linen, room, catering and other supplies/services	659.98	621.58
Operating equipment and supplies written off	248.53	253.45
Power, fuel and light (net)	1,621.80	1,482.64
Repairs, maintenance and refurbishing *	901.69	897.21
Rent	1.37	0.76
Rates and taxes	864.84	828.13
Insurance	105.55	109.99
Data processing charges	121.99	105.27
Directors' sitting fee	31.02	45.88
Legal and professional charges	314.10	246.93
Payment to the auditors**	40.16	41.52
Artist fee	14.53	53.72
Stationery and printing	97.13	88.03
Travelling and conveyance	357.15	327.76
Guest transportation	301.60	261.09
Communication (including telephones for guests)	162.40	161.60
Technical services	878.45	846.11
Advertisement and publicity	421.14	337.36
Commission and brokerage	803.44	750.08
Charity and donations	8.73	1.01
Bad debts / advances written off	2.22	2.85
Loss on fixed assets sold/discarded (net)	—	15.04
Miscellaneous	86.12	64.05
	8,043.94	7,542.06

* includes:

Repairs to buildings	187.37	243.44
Repairs to machinery	590.17	446.77

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
**Payments to the auditors for (including service tax)		
-statutory audit	28.09	28.09
-tax audit fee	5.62	5.62
-limited review and certification	5.06	5.06
-other services	1.39	2.75
	40.16	41.52
24 FINANCE COSTS	31st March 2014 (Rs. In Lakhs)	31st March 2013 (Rs. In Lakhs)
Interest expenses	4,174.49	2,873.63
Other borrowing costs (including bank charges)	760.88	325.89
Applicable net loss on foreign currency transactions and translation {Refer Note 2(k) on borrowing costs}	2,406.33	2,032.85
	7,341.70	5,232.37
25 PRIOR PERIOD ITEMS	31st March 2014 (Rs. In Lakhs)	31st March 2013 (Rs. In Lakhs)
Workmen and staff welfare	2.51	—
Repair, maintenance and refurbishing	1.83	4.70
Rates and taxes	2.96	2.12
Insurance	0.12	0.07
Data processing charges	—	0.92
Legal and professional charges	0.07	0.97
Advertisement and publicity	—	2.40
Miscellaneous	0.63	3.94
Other services income	(0.10)	(3.89)
	8.02	11.23
26 EARNINGS PER EQUITY SHARE	31st March 2014 (Rs. In Lakhs)	31st March 2013 (Rs. In Lakhs)
Profit/(Loss) for the year	(2,366.32)	2,944.65
Less : Dividends on Preference Shares (including Corporate Dividend Tax)	—	5.70
Profit/(Loss) available for equity shareholders	(2,366.32)	2,938.95
Weighted average number of equity shares outstanding	19,453,229	19,453,229
Nominal value per equity share (in Rupees)	10.00	10.00
Earnings/ (Loss) Per Equity Share- Basic and Diluted (in Rupees)	(12.16)	15.11

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

27 CONTINGENT LIABILITIES AND COMMITMENTS

31st March 2014 31st March 2013
(Rs. In Lakhs) (Rs. In Lakhs)

A CONTINGENT LIABILITIES

- | | | |
|---|--------|--------|
| (a) Claims against the Company not acknowledged as debts* | 495.58 | 489.96 |
|---|--------|--------|

* includes demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs including penalty demand of Rs. 250.00 Lakhs (Previous Year Rs. 467.96 Lakhs excluding interest and penalties) for earlier years upto 2007, against which the Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal, New Delhi on 11th March, 2014. The Company is contesting to have already paid the determined balance liability before the issuance of show cause notice. Hence the Company may not be liable to pay any demand.

* includes contingent liability of Rs 53.35 Lakhs on account of payment to a foreign service provider, on which taxes are required to be withheld by the Company, as per the latest order of Assessing Officer. However, during the earlier years the Company was getting NIL withholding tax order for the same. The Company has gone into appeal with appropriate authorities against this order. As per the agreement with the foreign service provider the payments to be made to him shall be without any deduction of taxes, however, if there are any withholding taxes the same are to be borne by the Company. Confident of getting a NIL withholding tax order, the Company has not provided for the expense of the withholding tax amount paid by the Company.

- | | | |
|--|--|--|
| (b) Municipal Corporation of Delhi introduced a new method for payment of property tax under 'Unit Area Scheme' w.e.f. 1 st April, 2004. The Federation of Hotels and Restaurants Association of India (FHRAI) and the Company filed a writ petition in the High Court of Delhi against the said new method, which is still pending. In terms of the interim order dated 10 th September, 2004 passed by the Hon'ble High Court, the Company has been paying a sum of Rs. 54.52 Lakhs per annum based on the Rateable Value method then existing. However, as a matter of abundant caution, based on usage factor of ten, the Company has provided for the difference in property tax as per Unit Area Scheme since introduction of the said new method, alongwith interest thereon. | | |
| (c) Relating to an accident in the hotel premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, the Company has been made one of the respondents. Any consequence on the outcome of the case can not be ascertained. | | |

B COMMITMENTS

- | | | |
|---|----------|----------|
| (a) Estimated amount of contracts remaining to be executed on capital account and not provided for: | 1,752.80 | 4,493.87 |
| (b) Lease commitments | | |
| (i) Future commitments in respect of assets acquired under Finance Schemes: | | |
| Minimum installments payable within one year | 53.02 | 72.59 |
| later than one year but not later than five years | 44.10 | 49.41 |
| Present value of minimum installments payable within one year | 46.52 | 65.20 |
| later than one year but not later than five years | 40.64 | 45.95 |
| (ii) Future minimum lease amounts receivable by the Company in respect of non-cancellable operating leases (other than land) for shops entered into by the Company: | | |
| Not later than one year | 48.60 | 52.09 |
| Later than one year and not later than five years | 73.51 | 105.14 |
| (iii) Future minimum lease amounts payable by the Company in respect of non-cancellable operating leases (other than land) for other services (including rented premises) entered into by the Company : | | |
| Not later than one year | 95.97 | 114.21 |
| Later than one year and not later than five years | 263.55 | 359.52 |

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

28 SEGMENT REPORTING

The Company operates only in one reportable segment, i.e. Hospitality/Hotel Business at one location, namely New Delhi (India). The other business segment, i.e. power generation, though governed by different sets of risks and returns, however, is not a reportable segment as defined under the Accounting Standard (AS)-17 on Segment Reporting, and therefore, no separate disclosures have been made. The assets, liabilities and revenues relating to the said power generation business have, however, been disclosed in the accounts separately. The above treatment is in accordance with the guiding principles enunciated in the said Accounting Standard.

29 RELATED PARTY DISCLOSURES

(a) Individual and his relatives having control over the Company (either directly or indirectly)

- (i) Mr. Amritesh Jatia, Director
- (ii) Mr. Shiv Kumar Jatia, Chairman & Managing Director

(b) Group Companies which significantly influence the Company (either individually or with others)

- (i) Yans Enterprises (H.K.) Limited, an overseas entity
- (ii) Fineline Holdings Limited, an overseas entity

(c) Group Companies which are significantly influenced by the Company (either individually or with others)

- (i) Fineline Hospitality & Consultancy Pte Limited, Mauritius, a subsidiary company (wholly owned w.e.f. 29th January, 2013)
- (ii) Magus Estates & Hotels Limited, India, a subsidiary company (upto 28th January, 2013)
- (iii) Lexon Hotel Ventures Limited, Mauritius, a subsidiary company (w.e.f. 29th January, 2013)
- (iv) Leading Hotels Limited, India, a subsidiary company (w.e.f. 29th January, 2013)
- (v) Newtown Hospitality Private Limited, a subsidiary company (w.e.f. 26th February, 2014)

(d) Related Parties

- Subsidiaries

Fineline Hospitality & Consultancy Pte Limited
Magus Estates & Hotels Limited (upto 28th January, 2013)
Lexon Hotel Ventures Limited (w.e.f. 29th January, 2013)
Leading Hotels Limited (w.e.f. 29th January, 2013)
Newtown Hospitality Private Limited (w.e.f. 26th February, 2014)

- Key Management Personnel

Mr. Shiv Kumar Jatia	Chairman & Managing Director
Mr. Adarsh Jatia	Joint Managing Director (resigned on 26 th January, 2013)

- Relatives of Key Management Personnel

Mr. Amritesh Jatia	Director and son of Mr. Shiv Kumar Jatia
Mr. Raj Kumar Jatia	Director and father of Mr. Adarsh Jatia (resigned on 26 th January, 2013)
Mr. Ramesh Jatia	Director and Brother of Mr. Shiv Kumar Jatia (ceased to be a Director from 7 th November, 2013)

- Entities controlled by Directors or their
relatives (with whom transactions entered
into during current year or previous year)

Ascent Hotels Private Limited
Bhasin & Co.
Binaguri Tea Company Private Limited
Energy Infrastructure (I) Limited
Leading Hotels Limited (upto 28th January, 2013)
Magus Estates & Hotels Limited (after 28th January, 2013)

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(e) Transactions with related parties:

(Rs in Lakhs)

Particulars	Subsidiaries		Key Management Personnel		Entities controlled by Directors or their relatives		Relatives of Key Management Personnel		Total	
	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013
Room, Food, Beverages and other services	7.96	48.53	—	—	1.90	32.57	—	—	9.86	81.10
Remuneration	—	—	149.78	346.27	—	—	—	—	149.78	346.27
Professional Charges	—	—	—	—	6.27	9.15	—	—	6.27	9.15
Commission to Non-Executive Director	—	—	—	—	—	—	5.02	14.11	5.02	14.11
Directors Sitting Fees	—	—	—	—	—	—	0.84	0.84	0.84	0.84
Sale of Capital goods	—	4.42	—	—	—	0.10	—	—	—	4.52
Purchase of Capital goods	—	—	—	—	—	14.53	—	—	—	14.53
Reimbursement of Expenses by the Company	2.07	—	—	—	—	—	—	—	2.07	—
Reimbursement of Expenses by Related Parties	—	—	—	—	—	0.25	—	—	—	0.25
Dividend - Preference Shares	—	—	—	—	—	4.90	—	—	—	4.90
Redemption of NCPS	—	—	—	—	4,410.00	—	—	—	4,410.00	—
Redemption of Loan to Subsidiary	49,402.22	—	—	—	—	—	—	—	49,402.22	—
Interest Income from Subsidiary	783.40	1,983.79	—	—	—	—	—	—	783.40	1,983.79
Investment in shares	49,402.22	—	—	—	—	—	—	—	49,402.22	—
Balance Outstanding										
Payables	—	—	183.96	227.99	1,460.45	5,916.15	18.63	27.61	1,663.04	6,171.75
Receivables	6,129.75	50,255.97	—	—	109.82	117.37	—	—	6,239.57	50,373.34

- The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 1956, and justification of the rates being charged/ terms thereof and approved the same.
- Further, the Company had taken a legal advice that in view of the multiplicity of transactions / information, it is not practicable to identify and disclose the food / beverage / room or other sales to the employees / guests of the related parties at any of the outlets of the hotel owned by the Company and such transactions do not require prior approval from Central Government under Section 297 of the Companies Act, 1956.
- The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

(f) Disclosure in respect of related party- wise transactions during the year as follows:

Particulars	31 st March 2014	31 st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Room, Food, Beverages and other services		
- Magus Estates & Hotels Limited (transactions upto 28th Jan., 2013)	—	48.00
- Magus Estates & Hotels Limited (transactions after 28th Jan., 2013)	—	9.60
- Leading Hotels Limited (transaction upto 28th Jan. 2013)	—	16.78
- Leading Hotels Limited (transaction after 28th Jan. 2013)	7.96	0.53
- Energy Infrastructure (I) Limited	0.52	0.47
- Bhasin & Co.	1.38	0.26
- Ascent Hotels Private Limited	—	5.46
Remuneration		
- Mr. Shiv Kumar Jatia	149.78	240.11
- Mr. Adarsh Jatia	—	106.16
Commission to Non-Executive Director		
- Mr. Amritesh Jatia	3.13	5.00
- Mr. Raj Kumar Jatia	—	4.11
- Mr. Ramesh Jatia	1.89	5.00

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	31 st March 2014	31 st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Directors Sitting Fees		
- Mr. Amritesh Jatia	0.84	0.48
- Mr. Raj Kumar Jatia	—	0.36
- Mr. Ramesh Jatia	—	—
Professional Charges		
- Bhasin & Co.	6.27	9.15
Sale Of Capital Goods		
- Ascent Hotels Private Limited	—	0.10
- Magus Estates & Hotels Limited (transactions upto 28 th Jan., 2013)	—	4.42
Purchase Of Capital Goods		
- Magus Estates & Hotels Limited (transactions after 28 th Jan., 2013)	—	14.53
Reimbursement of Expenses by the Company		
- Leading Hotels Limited (transaction after 28 th Jan., 2013)	2.07	—
Reimbursement of Expenses by related parties		
- Leading Hotels Limited (transaction upto 28 th Jan., 2013)	—	0.25
Dividend - Preference Shares		
- Magus Estates & Hotels Limited (transactions after 28 th Jan., 2013)	—	4.90
Interest Income from Subsidiary		
- Fineline Hospitality & Consultancy Pte Limited	783.40	1,983.79
Investment in Subsidiary		
- Fineline Hospitality & Consultancy Pte Limited*	49,402.22	—
Redemption of NCPS		
- Magus Estates & Hotels Limited (transactions after 28 th Jan., 2013)	4,410.00	—
Proceeds from subsidiary of Foreign Currency Loan and accrued interest		
- Fineline Hospitality & Consultancy Pte Limited*	49,402.22	—
Outstanding Payables		
- Mr. Shiv Kumar Jatia	102.75	146.78
- Mr. Adarsh Jatia	81.21	81.21
- Mr. Amritesh Jatia	8.13	9.50
- Mr. Raj Kumar Jatia	8.61	8.61
- Mr. Ramesh Jatia	1.89	9.50
- Bhasin & Co.	2.11	1.71
- Magus Estates & Hotels Limited	58.34	4,514.44
- Binaguri Tea Company Private Limited	1,400.00	1,400.00
Outstanding Receivables		
- Ascent Hotels Private Limited	27.03	29.05
- Magus Estates & Hotels Limited	81.56	83.84
- Energy Infrastructure (I) Limited	1.23	4.48
- Leading Hotels Limited	3.37	1.35
- Fineline Hospitality & Consultancy Pte Limited	6,126.38	50,254.62

* Refer Note 13(a) and (b).

30 EMPLOYEE BENEFITS

The Company has classified the various benefits provided to employees as under:-

(a) Defined contribution plans

- Provident fund

The Company has recognized the following amounts in the statement of profit and loss:

Employers' contribution to provident fund :- Current Year Rs. 205.37 Lakhs (Previous Year Rs. 211.74 Lakhs)

(b) Defined benefit plans

- Gratuity
- Compensated absences - Earned leave

In accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Economic Assumptions

The discount rate and salary increases assumed are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 8.50% per annum (Previous Year 8.00% per annum) compound has been used.

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

The assumptions used are summarised in the following table:

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013
Discount rate (per annum)	8.50%	8.00%	8.50%	8.00%
Future salary increase (per annum)	5.00%	7.00%	5.00%	7.00%
Expected rate of return on plan assets	N.A	N.A	N.A	N.A
In service mortality	IALM (2006-08)	IALM (1994-96)	IALM (2006-08)	IALM (1994-96)
Retirement age	58 years	58 years	58 years	58 years
Withdrawal rates				
- Upto 30 years	3.00%	3.00%	3.00%	3.00%
- From 31 to 44 years	2.00%	2.00%	2.00%	2.00%
- Above 44 years	1.00%	1.00%	1.00%	1.00%

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
1. Expenses recognised in statement of profit and loss				
Current service cost	42.42	50.41	23.89	37.41
Interest cost	56.27	55.33	19.51	19.77
Expected return on plan assets	—	—	—	—
Net actuarial(gain)/loss recognised in the year	(113.32)	(37.87)	(105.32)	(13.47)
Total expenses/ (income)	(14.63)	67.87	(61.92)	43.71
2. Net asset/(liability) recognised as at the end of the year				
Present value of defined benefit obligation	647.49	703.45	137.61	243.91
Fair value of plan assets	—	—	—	—
Funded status [surplus/(deficit)]	(647.49)	(703.45)	(137.61)	(243.91)
Net asset/(liability) as at the end of the year	(647.49)	(703.45)	(137.61)	(243.91)
3. Change in the present value of obligation during the year				
Present value of obligation as at the beginning of the year	703.45	691.69	243.91	247.15

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Interest cost	56.27	55.33	19.51	19.77
Current service cost	42.42	50.41	23.89	37.41
Benefits paid	(41.33)	(56.11)	(44.38)	(46.95)
Actuarial (gains)/losses on obligation	(113.32)	(37.87)	(105.32)	(13.47)
Present value of obligation as at the end of the year	647.49	703.45	137.61	243.91

31 DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

As per the information available and explanations provided to us and certified by the management, there are no amounts due to any Micro, Small and Medium Enterprises which are outstanding for more than 45 days together with interest at the balance sheet date as defined under the Micro, Small and Medium Enterprise Development Act, 2006.

32 OTHER INFORMATION

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
(a) Value of imports calculated on CIF basis		
(i) Food and beverages	91.39	32.89
(ii) Stores and spares	257.32	111.47
(iii) Capital goods	1,876.20	1,801.82
(iv) Beverages - through canalising agencies	407.35	356.53
(b) Expenditure in foreign currency		
(i) Technical services (Royalty)	126.54	103.10
(ii) Technical services (Professional and consultation fees)	639.18	586.82
(iii) Interest	2,182.90	2,113.37
(iv) Others		
- Advertisement and publicity	285.16	231.03
- Commission and brokerage	474.49	375.44
- Recruitment and training	9.22	24.57
- Miscellaneous	115.81	175.64
(c) Earning in foreign currency		
(i) Revenue from operation (As reported by the Management of the Company and certified by an independent firm of chartered accountant)	13,310.96	13,331.13
(ii) Interest	783.40	1,983.79
(d) Details of dividends paid to Non Resident Shareholders holding shares on repatriation basis:		
Final Dividend - Equity		
(i) Financial Year to which dividend relates	2012-13	2011-12
(ii) Number of non-resident shareholders	574	606
(iii) Number of shares held by them	14,020,312	14,030,869
(iv) Rupees (in Lakhs) equivalent of amount paid in foreign currency	134.05	201.09
(v) Amount in Rupees (in Lakhs) remitted to banks /addresses in India for which the Company does not have information as to the extent to which remittance in foreign currencies have been made by or on behalf of the non resident shareholders	6.16	9.37

33 DERIVATIVE INSTRUMENTS AND UN-HEDGED FOREIGN CURRENCY EXPOSURE

(a) Derivatives outstanding as at 31st March, 2014

Particulars	Purpose
Forward contract to buy US\$	
US\$ 5,816,502 (Previous Year Nil)	Hedge of future repayment of loans
{Rs. 3,495.71 Lakhs (Previous Year Nil)}	

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2014 and 31st March, 2013 are as under:

Particulars	31 st March, 2014		31 st March, 2013	
	Foreign Currency	(Rs. In Lakhs)	Foreign Currency	(Rs. In Lakhs)
Receivables				
Loans and advances given				
(in USD)	1,284,761	772.14	76,857,333	41,802.17
(in EURO)	312,441	258.00	159,341	110.81
(in SGD)	243,420	118.85	49,500	21.64
(in GBP)	38,412	38.35	23,141	19.05
(in AED)	217,229	35.35	–	–
Investment in CRPS (refer Note 13)(in USD)	10,193,679	6,126.38	10,193,679	5,544.27
Interest accrued on loan to subsidiary (in USD)	–	–	5,422,095	2,949.04
Payables				
Trade payables				
(in USD)	1,569,344	943.17	1,186,397	645.27
(in EURO)	11,099	9.17	–	–
(in GBP)	134	0.13	–	–
(in SEK)	28,667	2.67	28,667	2.40
Payable for capital goods (in USD)	105,379	63.33	225,640	122.72
External Commercial Borrowings (ECBs)				
(in USD)	52,077,177	31,298.28	83,312,430	45,313.05
(in SGD)	23,688,197	11,278.76	–	–
Interest on ECBs				
(in USD)	1,186,415	713.03	1,309,204	712.07
(in SGD)	5,192	2.47	–	–

34 OTHER NOTES

- (a) Confirmation of debit & credit balances
Letters for confirmation of balances sent to parties have been received back only in a few cases and discrepancies, if any, pointed out by the parties are being investigated for necessary adjustments to be carried out.
- (b) As per the requirement of revised Schedule VI, the Board of Directors have considered the values of all assets of the Company other than fixed assets and non-current investments, and have come to a conclusion that these have a value on realisation in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.
- (c) Previous year's figures
The Company has reclassified or regrouped previous year figures to conform to current year's classification/ grouping.

Signature to note 1 to 34 of Financial Statements

"As per our report attached"

For MOHINDER PURI & COMPANY
Chartered Accountants
Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG
Partner
Membership Number: 16920

JYOTI SUBARWAL
President- Finance
& Operations
(Chief Financial Officer)

DINESH C. KOTHARI
Director
DIN : 00195609

SHIV KUMAR JATIA
Chairman & Managing Director
DIN : 00006187

Place: New Delhi
Dated: 28th May, 2014

DINESH KUMAR JAIN
Vice President (Corporate) &
Company Secretary
Membership Number: FCS 6224

AMRITESH JATIA
Director
DIN : 02781300

ASIAN HOTELS (NORTH) LIMITED

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF ASIAN HOTELS (NORTH) LIMITED TO THE BOARD OF DIRECTORS OF ASIAN HOTELS (NORTH) LIMITED

Report on the Financial Statements

1. We have audited the accompanying consolidated financial statements of **ASIAN HOTELS (NORTH) LIMITED** ("the Company") and its Subsidiaries (hereinafter collectively referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of Fit For Consolidation Report (FFC Report) of the other auditors of the subsidiary referred below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in the case of the Consolidated Balance Sheet, of the affairs of the Group as at 31st March, 2014;
 - b. in the case of the Consolidated Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - c. in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

7. We did not audit the financial statements of Company's subsidiary consolidated with its subsidiaries, whose financial statements reflect total assets of Rs. 73,140.33 Lakhs as at 31st March, 2014 (Previous Year Rs. 65,264.08 Lakhs) and total revenues of Rs. 27.86 Lakhs for the year ended on that date (Previous Year 10,649.05 Lakhs) as considered in the consolidated financial statements of the Group. These financial statements have been audited by other auditors whose FFC Reports have been furnished to us by the management, and our opinion, on the consolidated financial statements of the Group for the year then ended, in so far as it relates to the amounts and disclosures included in respect of the Company's subsidiary, are based solely on the FFC Report of such other auditors. Our opinion is not qualified in respect of this matter.

For MOHINDER PURI AND COMPANY

Firm Registration Number: 000204N
Chartered Accountants

VIKAS VIG
PARTNER

Membership Number: 16920

Place: New Delhi
Dated: 28th May, 2014

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

EQUITY AND LIABILITIES	Notes	As At 31st March 2014 (Rs. In Lakhs)	As At 31st March 2013 (Rs. In Lakhs)
Shareholders' Funds			
Share Capital	3	1,945.32	2,435.32
Reserves & Surplus	4	77,500.22	83,699.59
		79,445.54	86,134.91
Minority Interest		2,336.12	2,138.85
Non-current Liabilities			
Long-term Borrowings	5	74,593.34	66,213.60
Deferred Tax Liabilities (net)	6	2,360.77	937.66
Other Long-term Liabilities	7	2,881.90	5,178.90
Long-term Provisions	8	503.59	666.38
		80,339.60	72,996.54
Current Liabilities			
Short-term Borrowings	9	16,561.72	10,250.58
Trade Payables	10	1,394.26	1,361.55
Other Current Liabilities	11	27,670.96	28,031.76
Short-term Provisions	8	791.11	650.95
		46,418.05	40,294.84
TOTAL		208,539.31	201,565.14
ASSETS			
Non-current Assets			
Fixed Assets	12		
Tangible Assets		131,200.45	107,506.86
Intangible Assets		47,660.51	46,779.14
Capital Work-in-progress		14,288.40	35,376.26
Non-current Investments		—	—
Long-term Loans And Advances	13	8,478.58	7,934.02
Other Non-current Assets	14	—	270.63
		201,627.94	197,866.91
Current Assets			
Inventories	15	610.95	634.28
Trade Receivables	16	996.74	1,117.92
Cash and Bank Balances	17	3,572.92	930.40
Short-term Loans And Advances	13	1,709.91	1,009.47
Other Current Assets	14	20.85	6.16
		6,911.37	3,698.23
TOTAL		208,539.31	201,565.14

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

CONTINGENT LIABILITIES AND COMMITMENTS

26

The accompanying notes 1 to 33 are an integral part of the Consolidated Financial Statements

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG

Partner

Membership Number: 16920

JYOTI SUBARWAL

President- Finance

& Operations

(Chief Financial Officer)

DINESH C. KOTHARI

Director

DIN : 00195609

SHIV KUMAR JATIA

Chairman & Managing Director

DIN : 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN : 02781300

Place: New Delhi

Dated: 28th May, 2014

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

INCOME	Notes	For the year ended 31 st March 2014 (Rs. In Lakhs)	For the year ended 31 st March 2013 (Rs. In Lakhs)
I Revenue From Operations (gross)	18	22,808.22	32,116.33
Less: Excise Duty paid		(32.00)	(32.63)
Revenue From Operations (net)		22,776.22	32,083.70
II Other Income	19	5,757.96	3,168.13
III Total Income (I+II)		28,534.18	35,251.83
IV EXPENSES			
Consumption of Provisions, Beverages, Smokes & Others	20	2,936.78	3,848.79
Employee Benefits Expense	21	5,538.87	8,180.00
Other Expenses	22	8,177.38	12,735.39
TOTAL EXPENSES		16,653.03	24,764.18
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		11,881.15	10,487.65
Depreciation & Amortisation Expense	12	1,220.34	3,116.62
Less: Transferred from Revaluation Reserve		(53.91)	(53.91)
Less: included as part of capital work-in-progress		(23.87)	(3.09)
Finance Costs	23	7,355.90	8,628.16
VI Profit/(Loss) before exceptional, prior period items, extraordinary items and tax		3,382.69	(1,200.13)
Exceptional Items		—	—
VII Profit/(Loss) before prior period items, extraordinary items and tax		3,382.69	(1,200.13)
Prior period items	24	(27.87)	11.23
VIII Profit/(Loss) before extraordinary items and tax		3,410.56	(1,211.36)
Extraordinary Items			
Provision for Impairment on goodwill on consolidation		5,119.60	—
Loss on sale of investment in Magus Estates & Hotels Limited (Magus)		—	35,219.75
Loan liability written back (waived off by minority shareholders)		—	(1,076.48)
IX Profit/(Loss) before tax		(1,709.04)	(35,354.63)
X Tax Expense			
Current Tax		912.73	1,468.72
Earlier Years Tax (written back)		(32.40)	(102.06)
MAT Credit Entitlement		(770.70)	—
Deferred Tax Liability		1,423.11	127.75
Total tax		1,532.74	1,494.41
XI Profit/(Loss) for the year before Minority Interest (IX-X)		(3,241.78)	(36,849.04)
XII Attributable to Minority Interest			
Share of Profit/ (Loss)		(24.65)	(722.01)
Gain/(Loss) on sale of investment in Magus borne by minority shareholder through Business Reorganisation Account (Refer Note 28)		—	(43,178.02)
Loan waived-off		—	1,076.48
Total		(24.65)	(42,823.55)
XIII Profit/(Loss) after minority interest (XI-XII)		(3,217.13)	5,974.51
Earnings/(Loss) Per Equity Share (in Rupees)	25		
Basic		(16.54)	30.71
Diluted		(16.54)	30.71

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

The accompanying notes 1 to 33 are an integral part of the Consolidated Financial Statements

“As per our report attached”

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

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Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN : 02781300

Place: New Delhi

Dated: 28th May, 2014

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

A. CASH FLOW FROM OPERATING ACTIVITIES	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
PROFIT/(LOSS) BEFORE TAX BUT AFTER EXCEPTIONAL/EXTRA ORDINARY ITEMS	(1,709.04)	(35,354.63)
Adjustments for:		
Depreciation and amortisation	1,142.56	3,059.62
Interest and finance charges	4,949.56	6,595.31
Interest income	(222.17)	(90.58)
Income from Investment - dividends	(0.15)	(4.18)
Loss/(Gain) on fixed assets sold/ discarded (net)	(2,682.89)	15.18
Impairment of goodwill on consolidation	5,119.60	–
Loss on sale of investment	–	35,219.75
Loan liability written back	–	(1,076.48)
Net unrealised (gain)/loss on foreign currency transaction and translation	(226.14)	(826.20)
Bad debts / advances written off	54.46	2.85
Provision for bad & doubtful debts/advances written back	(2.03)	(51.71)
Liability no longer required written back	(51.36)	(121.34)
Provision no longer required written back	(176.82)	(41.13)
Provision for gratuity and leave encashment	(160.86)	47.10
Prior period expenses/(income) (net)	(27.87)	11.23
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6,006.85	7,384.79
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	(614.43)	3,491.50
(Increase)/decrease in inventories	23.33	(60.30)
Increase/(decrease) in trade payables, other liabilities and provisions	(4,545.51)	(1,438.55)
Effect of exchange differences on translation of assets and liabilities	(45.16)	(40.39)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	–	(0.01)
CASH GENERATED FROM OPERATIONS	825.08	9,337.04
Income taxes paid	(729.88)	(1,630.33)
Prior period (expenses)/income (net)	27.87	(11.23)
NET CASH FROM OPERATING ACTIVITIES	123.07	7,695.48
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets		
Additions during the year	(1,982.87)	(630.00)
Capital work-in-progress		
Deductions/(additions) during the year	(6,483.66)	(18,682.41)
Proceeds from sale of fixed assets	9,223.46	43.32
Acquisition of Subsidiaries, cash outflow	(0.15)	–
Proceeds from restructuring in investments	–	158.69
Investments in bank deposits (with original maturity over 3 months)	(27.55)	(236.40)
Proceeds from bank deposits (with original maturity over 3 months)	219.31	454.60
Interest received (revenue)	216.38	97.55
Dividend received	0.15	4.18
NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES	1,165.07	(18,790.47)

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

C. CASH FLOW FROM FINANCING ACTIVITIES

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Proceeds from long-term borrowings		
Receipts	13,524.56	24,985.19
Payments	(9,126.45)	(10,511.00)
Proceeds from short-term borrowings		
Receipts	20,349.49	4,782.87
Payments	(14,038.35)	(1,511.71)
Redemption of Cumulative Redeemable Non-Convertible Preference Shares	(4,410.00)	—
Interest and finance charges (revenue)	(4,762.81)	(6,801.91)
Dividend paid	(199.41)	(291.83)
Dividend tax paid	(33.89)	(48.13)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	1,303.14	10,603.48
Effect of exchange differences on translation of foreign currency cash and cash equivalents	—	0.01
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,591.28	(491.50)
CASH AND CASH EQUIVALENTS - OPENING	742.95	1,234.45
CASH AND CASH EQUIVALENTS - CLOSING	3,334.23	742.95
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,591.28	(491.50)

NOTES:

- The above cash flow statement has been prepared under the "Indirect method" set out in the Accounting Standard- 3 on Cash Flow Statements.
- Figures in bracket indicate cash outflow.
- Previous year figures have been regrouped and recast wherever necessary to conform to current year's classification.
- Cash and cash equivalents at the end of the year consist of cash on hand, cheques on hand and balance with banks as follows:

	As At 31 st March 2014 (Rs. In Lakhs)	As At 31 st March 2013 (Rs. In Lakhs)
Balances with banks		
In current accounts	259.26	276.20
In deposits with original maturity of less than 3 months	3,004.35	181.63
Cheques, draft on hand	39.53	40.59
Cash on hand	31.09	244.53
	3,334.23	742.95

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

VIKAS VIG

Partner

Membership Number: 16920

JYOTI SUBARWAL

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Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN : 02781300

Place: New Delhi

Dated: 28th May, 2014

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1. Corporate information

Asian Hotels (North) Limited is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is operating a Five Star Deluxe Hotel namely Hyatt Regency in Delhi since 1982. The Company has four subsidiaries namely Fineline Hospitality & Consultancy Pte Ltd., an overseas subsidiary, incorporated in Mauritius provides offshore project consultancy services; Lexon Hotel Ventures Limited is incorporated in Mauritius also provides offshore project consultancy services; Leading Hotels Limited incorporated in India is developing an all Villa Hotel Complex, including residential villas and an 18 hole, 72 pars Championship Golf Course in Goa (India) and Newtown Hospitality Private Limited incorporated in India for Hospitality business.

2. Significant accounting policies

a) Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared to comply in all material respects with the Notified Accounting Standards by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and the relevant provisions of the Act. The consolidated financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b) Principles of Consolidation

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS-21) – "Consolidated Financial Statements" notified pursuant to the Companies Accounting Standards Rules, 2006 (as amended). The Consolidated Financial Statements comprise the financial statements of Asian Hotels (North) Limited (Parent Company) and the following subsidiaries: -

Name of the Company	Country of Incorporation	Effective % of holding as at 31 st March 2014	Effective % of holding as at 31 st March 2013
Fineline Hospitality & Consultancy Pte Ltd (FHCPL)-an Overseas Subsidiary	Mauritius	100.00%	100.00%
Lexon Hotel Ventures Limited (Lexon), a subsidiary of FHCPL	Mauritius	80.00%(#)	80.00%(#)
Leading Hotels Limited, a subsidiary of Lexon	India	79.81%(^)	79.81%(^)
Newtown Hospitality Private Limited, a subsidiary	India	100.00%	Nil

(#) i.e. 100.00% of 80.00 % held by FHCPL.

(^) i.e. 80.00% of 99.76% held by Lexon

The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company, its Overseas Wholly Owned Subsidiary and its Indian Subsidiary have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions, if any, based on the special purpose audited consolidated financial statements received from the Overseas Subsidiary and audited financial statement received from the Indian Subsidiary for the year ended 31st March 2014, in Indian Rupees as per the Indian Accepted Accounting Policies.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- The difference between the cost of investment in the subsidiaries and the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- Goodwill arising out of consolidation is tested for impairment at each balance sheet date.
- Minority interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.

Minority interest in the net assets of consolidated subsidiaries consists of: -

- the amount of equity attributable to the minorities at the date on which investment in Subsidiary is made; and
- the minorities' share of movements in equity since the date the parent – subsidiary relationship came into existence.

Minority interest's share of Net Profit / (Loss) (including share of Foreign Exchange Translation Reserve) of consolidated subsidiaries for the relevant period is identified and adjusted against the profit after tax of the group.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

c) Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

d) Fixed assets, depreciation/amortisation and Capital Work-in-progress

(i) Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss, if any, less depreciation/ amortisation. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put to use. Assessment of indication of impairment of an asset is made at the year end and impairment loss, if any, recognised. The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of depreciable assets to the cost of the asset and depreciates the same over the remaining life of the asset.

(ii) Depreciation on Tangible Fixed Assets:

- (a) Depreciation as per straight line method has been charged in the accounts based on circular no 1/86 of the Department of Company Affairs;
- (b) On the assets acquired on or after 2.4.87 at the rates as prescribed under Schedule XIV to the Companies Act, 1956, pro-rata from the month of purchase. If purchased on or before 15th of the month, depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.
- (c) Depreciation is provided from the date of installation/acquisition on a pro-rata basis. Depreciation on assets is provided as per the rates specified in Schedule XIV to the Companies Act, 1956. Assets individually costing Rs.5, 000/- or less are depreciated fully in the year when they are put to use.
- (d) On the assets prior to 2.4.87 at the rates computed in the respective years of acquisition of those assets on the basis of rates specified by the Income Tax Act, 1961 and the rules made there under in terms of Section 205(2) (b) of the Companies Act, 1956 without making any adjustment in respect of excess depreciation provided for in the earlier years amounting to Rs.244.16 Lakhs.
- (e) Depreciation on leasehold improvements is being charged equally over the period of the lease.
- (f) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve Account.
- (g) No depreciation is charged on the assets sold/ discarded during the year.

(iii) Amortization of Intangible Fixed Assets:

Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

(iv) Capital Work-in-progress:

Capital work-in-progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period to be capitalized as part of construction cost to the extent to which these expenditures are specifically attributable to the construction. Interest income earned on temporary investment of funds brought in for the project during construction period has been set-off from the interest expense accounted for as expenditure during the construction period.

e) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows of next five years projections estimated based on current prices.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Foreign Currency Transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognised as income or as expenses in the year in which they arise.

For exchange differences arising on certain long-term foreign currency monetary items, refer to note 2e above on tangible fixed assets.

Foreign Subsidiaries

All the activities of the foreign subsidiaries are carried out with a significant degree of autonomy from those of the parent. Accordingly, as per the provisions of Accounting Standard - 11 (AS-11) "Effect of changes in foreign exchange rates", these operations have been classified as "Non integral operations" and therefore all the assets and liabilities, both monetary and non-monetary, are translated at the closing rates while income and expenses are translated at the average exchange rates. The resulting exchange differences are accumulated in the foreign currency translation reserve account until the disposal of net investment.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

g) Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically,

- (i) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer.
- (ii) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Dividend income from investments is recognized when the Company's right to receive payment is established.
- (iv) Income from generation of electricity is recognized when the actual generated units are transferred and billed to the buyer.
- (v) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments or short-term investments. All other investments are classified as non-current investments or long-term investments. Current investments are valued at lower of cost and fair value determined on an individual investment basis. Changes in the carrying amount of current investments are recognized in the statement of profit and loss. Non-current investments are valued at cost. However, provision for diminution in value is made to recognize a decline that is other than temporary in the value of investments, wherever considered necessary. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

i) Inventories

Inventory is valued at cost or net realizable value whichever is lower. The cost is determined by weighted average method.

Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.

j) Retirement benefits

Retirement benefit costs for the year are determined on the following basis:

- (i) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to the statement of profit and loss of the year when the contribution to the respective fund is due. There is no obligation other than the contribution payable to the respective fund.
- (ii) Provision for Employees' Gratuity is based on actuarial valuation as on the date of balance sheet. All actuarial gains/losses arising during the accounting year are recognized immediately in the statement of profit and loss as income or expense.
- (iii) Accrual for leave encashment benefit is based on actuarial valuation as on the date of balance sheet in pursuance of the Company's leave rules.

k) Income and Deferred Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Company operates.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset on unabsorbed depreciation and carry forward losses is recognized only to the extent that there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date, the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

l) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

m) Earnings per equity share

Basic earning per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a realizable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

o) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and cash/cheques on hand and short-term deposits with Banks with an original maturity of three months.

p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will be required to settle the obligations. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

q) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

3. SHARE CAPITAL

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
AUTHORISED		
40,000,000 Equity Shares of Rs. 10 each	4,000.00	4,000.00
30,000,000 Preference Shares of Rs. 10 each	3,000.00	3,000.00
ISSUED, SUBSCRIBED & PAID UP		
19,453,229 Equity Shares of Rs. 10 each fully paid up	1,945.32	1,945.32
Nil (Previous Year 4,900,000) 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs. 10 each fully paid	–	490.00
(NCPS were due and redeemed on 30 th June, 2013, at the issue price (including premium) of Rs. 90/- per share aggregating to Rs. 4,410.00 Lakhs, as per the revised schedule of redemption as consented by the holder thereof, namely Magus Estates and Hotels Limited (Magus), which during the previous year ceased to be a subsidiary of the Company)		
	1,945.32	2,435.32

(a) Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March, 2014, the amount of per share dividend proposed as distribution to equity shareholders is Rs. 1.00 (31st March 2013: Rs. 1.00).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) The details of shareholders holding more than 5% shares is set out below :

Name of shareholder	31 st March 2014		31 st March 2013	
	No. of Shares	% Shares	No. of Shares	% Shares
Equity Shares of Rs. 10 each fully paid up				
Fineline Holdings Limited, (an overseas entity)	7,360,645	37.84	7,360,645	37.84
Yans Enterprises (H.K.) Limited, (an overseas entity)	5,336,880	27.43	5,336,880	27.43
NCPS of Rs. 10 each fully paid up				
Magus Estates and Hotels Limited, an erstwhile subsidiary company	–	–	4,900,000	100.00

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(c) The reconciliation of the number of shares outstanding as at 31st March, 2014 and 31st March, 2013 is set out below:

Particulars	As At	
	31 st March 2014	31 st March 2013
Equity Shares of Rs. 10 each fully paid		
Number of shares in the beginning	19,453,229	19,453,229
Add: Shares issued during the year	–	–
Less: Shares bought back	–	–
Number of shares at the end	19,453,229	19,453,229
NCPS of Rs. 10 each fully paid up		
Number of shares in the beginning	4,900,000	4,900,000
Add: Shares issued during the year	–	–
Less: Shares redeemed during the year	(4,900,000)	–
Number of shares at the end	–	4,900,000

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (d) Aggregate number and class of shares allotted for consideration other than cash/ bought back during the period of five years immediately preceding 31st March 2014

Particulars	31 st March 2013	31 st March 2012	31 st March 2011	31 st March 2010	31 st March 2009
Increase of Equity shares of Rs. 10 each*	—	—	—	11,401,782	—
Reduction of Equity shares of Rs. 10 each**	—	—	—	22,803,564	—

*Capitalisation of General reserves to the tune of Rs. 1,140.18 Lakhs as per the terms of the Scheme of Arrangement and Demerger for the purposes of allocation of capital among the demerging entities.

**Represents allocation of capital among resulting entities as per the terms of the Scheme of Arrangement and Demerger.

4 RESERVES & SURPLUS	Additions (Rs. In Lakhs)	Deductions (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Capital Reserve	—	—	725.73	725.73
Capital Redemption Reserve for redeemed NCPS	490.00	—	990.00	500.00
Capital Redemption Reserve for redeemable NCPS	—	(490.00)	—	490.00
Securities Premium Account	—	(3,920.00)	32,994.83	36,914.83
General Reserve	—	—	3,747.19	3,747.19
Tourism Development Utilised Reserve	—	—	5,332.02	5,332.02
Foreign Exchange Translation Reserve	1,219.26	—	2,290.86	1,071.60
Revaluation Reserve	—	(53.91)	19,335.25	19,389.16
Surplus in Statement of Profit and Loss	—	(3,444.72)	12,084.34	15,529.06
	1,709.26	(7,908.63)	77,500.22	83,699.59
(a) On redemption of NCPS the reserve created for redemption was transferred to Capital Redemption Reserve for redeemed NCPS. Deduction in Securities Premium Account represents premium paid on redemption of NCPS.				
(b) Deduction to Revaluation Reserve represents amount withdrawn on account of depreciation during the year.				
(c) Capital Reserve				
Opening balance			725.73	1.41
Add: Reduction in value of ordinary shares of Subsidiary (Refer Note 28)			—	511.78
Add: Transferred from Business Reorganisation Account			—	212.54
Closing balance			725.73	725.73
(d) Business Reorganisation Account (Refer Note 28)				
Opening balance			—	—
Add: Buy back of ordinary and preference shares of Subsidiary			—	42,314.08
Less: Set-off during the year			—	(42,101.54)
Less: Transferred to Capital Reserve			—	(212.54)
Closing balance			—	—
(e) Surplus in Statement of Profit and Loss				
Opening balance			15,529.06	10,081.87
Add: Profit/(Loss) for the year			(3,217.13)	5,974.51
Amount available for appropriation			12,311.93	16,056.38
Less: Appropriations				
Proposed Dividend on Equity Shares			194.53	194.53
Dividend on Preference Shares			—	4.90
Dividend Distribution Tax			33.06	33.89
Amount transferred to general reserve			—	294.00
Total			227.59	527.32
Closing balance			12,084.34	15,529.06

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

5 LONG-TERM BORROWINGS

	NON-CURRENT		CURRENT	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
SECURED LOANS				
TERM LOANS				
FROM BANKS				
DBS Bank Limited				
- External commercial borrowings (USD 578.94 Lakhs and SGD 236.88 Lakhs, Previous Year USD 833.13 Lakhs)	41,735.76	40,803.83	4,336.98	4,509.22
Axis Bank Limited-Rupee loan	19,900.00	20,000.00	1,600.00	—
IDBI Bank Limited-Rupee loan	4,500.00	—	—	—
ING Vysya Bank Limited-Rupee loan	4,485.58	4,309.22	361.15	120.00
Yes Bank Limited-Rupee loan	2,920.00	500.00	80.00	—
ICICI Bank Limited- Rupee loan	174.05	—	123.66	—
For business of generation of electricity (Refer Note 29 on Segment Reporting)				
ING Vysya Bank Limited-Rupee loan	343.14	539.40	196.25	196.25
For acquisition of vehicles				
Axis Bank- Rupee loan	29.00	30.13	32.93	23.09
Kotak Mahindra Bank Limited- Rupee loan	86.68	—	22.28	—
ICICI Bank Limited- Rupee loan	—	—	—	22.37
FROM FINANCIAL INSTITUTION				
For acquisition of vehicles				
Kotak Mahindra Prime Limited - Rupee loan	17.69	31.02	22.74	28.01
Loan from:				
Corporate (Inter-corporate Loans)	401.44	—	98.58	—
	74,593.34	66,213.60	6,874.57	4,898.94
Amount disclosed under the head				
"Other Current Liabilities" (Note 11)	—	—	(6,874.57)	(4,898.94)
	74,593.34	66,213.60	—	—

There is no continuing default in repayment of loans and interest as on 31st March, 2014. One loan repayment installment which became due on 28th of March, 2014 was paid on 2nd April, 2014 due to bank holidays.

Nature of security and terms of repayment for secured long-term borrowings:

- DBS Bank Limited -External commercial borrowings (carried interest range 4.10% to 5.95% per annum) are secured / to be secured by exclusive first charge of land & building of Hotel Hyatt Regency Delhi; Personal guarantee of Chairman & Managing Director, pledge of shares held by him and pledge of shares representing Company's investment in foreign subsidiary Company. External Commercial Borrowings are repayable as under: (i). SGD 236.88 Lakhs is payable in 13 quarterly installments up to June, 2018; (ii). USD 477.00 Lakhs is payable in 9 semi-annual installments commencing from October, 2014 and; (iii). USD 101.94 Lakhs is payable in 12 semi-annual installments commencing from April, 2014.
- Axis Bank Limited -Rupee loan (carried interest range @ 12.50% to 13.00% per annum) is secured by exclusive mortgage charge on six floors (Service Apartments) in the new tower/ building in the existing Hyatt Regency Hotel complex, second exclusive mortgage charge on the land and building pertaining to the existing Hyatt Regency Hotel complex, first pari-passu hypothecation charge on the moveable fixed assets of the Company - both present & future and Personal guarantee of Chairman & Managing Director. Rupee Loan are repayable as under: (i) Rupee Loan of Rs 20,000 Lakhs is payable in unequal quarterly installments up to March, 2023 commencing from December, 2014; (ii) Rupee Loan of Rs 1,500 Lakhs is payable by August, 2014.
- IDBI Bank Limited - Rupee loan (carried interest @ 13.00% per annum) is secured by first pari-passu charge on land and building of existing Hotel block (Hyatt Regency, New Delhi) along with DBS Bank Limited (Excluding new tower which is mortgaged exclusively to Axis Bank and ING Vysya Bank Limited); unconditional and irrevocable personal guarantee of Chairman & Managing Director. Repayable in 18 unequal quarterly instalments commencing from October, 2015.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (d) ING Vysya Bank Limited -Rupee loan (carried interest @ 12.55% per annum) is secured by exclusive mortgage charge on two floor (Service Apartments) in the new tower/ building in the existing Hyatt Regency Hotel complex, first pari-passu hypothecation charge on the moveable fixed assets of the Company - both present & future and Personal guarantee of Chairman & Managing Director. Repayable in 84 monthly installments up to September 2020, repayment started from October, 2013.
- (e) Yes Bank Limited -Rupee loan (carried interest range @ 11.75% to 12.50% per annum) is secured by first pari-passu charge on hotel Land & Building of Hyatt Regency Delhi, second pari-passu charge on current assets (both present and future); pledge on shareholding of Chairman & Managing Director, his associates, Asian Holdings Private Limited and other group companies (total 7.2% shareholding) in the Company; Exclusive charge by way of equitable mortgage of properties owned by two other companies belong to relatives of Directors; pledge on 30% shareholding of Chairman & Managing Director in RSJ Developers Private Limited; unconditional and irrevocable personal guarantee of Chairman & Managing Director and unconditional, irrevocable corporate guarantee of WEL Intertrade Private Limited and unconditional and irrevocable personal guarantee of Mr. Amritesh Jatia. Repayable in 16 quarterly installments up to January 2018, starting from April, 2014. Form-8 for creation of charges as per the regulations of Companies Act, 1956 with Registrar of Companies is yet to be filed for new loan sanction amounting to Rs. 5,000/- Lakhs during the year.
- (f) ICICI Bank-Rupee loan (carried interest @ 11.41% per annum) is secured against hypothecation of 16 vehicles. Balance repayable in monthly installments up to June, 2016. Form-8 for creation of charges as per the regulations of Companies Act, 1956 with Registrar of Companies is yet to be filed.
- (g) ING Vysya Bank-Rupee loan for business of generation of electricity (carried interest @ 12.55% per annum) is secured by first charge and /or hypothecation of freehold land, plant & machinery and book-debts pertaining to the windmills situated at Sinner & Sangli in Maharashtra and personal guarantee of Chairman & Managing Director. Balance repayable in 15 equal installment up to October, 2016.
- (h) Axis Bank-Rupee loan for acquisition of vehicles (carried interest @ 9.32% to 11.12% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to July, 2016. Form-8 for creation of charges as per the regulations of Companies Act, 1956 with Registrar of Companies is yet to be filed.
- (i) Kotak Mahindra Bank Limited -vehicle loans (carried interest @ 9.76% per annum) are secured by hypothecation of respective vehicles, balance repayable in monthly installments upto May, 2018.
- (j) ICICI Bank-Rupee loan for acquisition of vehicles (carried interest @ 7.75% to 8.50% per annum) is secured against hypothecation of certain vehicles. Balance repaid during the year.
- (k) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carried interest @ 7.50% to 10.28% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to December, 2018. Form-8 for creation of charges as per the regulations of Companies Act, 1956 with Registrar of Companies is yet to be filed.
- (l) Inter-Corporate Loans carried interest rate from 15.00% to 20.00% per annum.
- (m) The details of repayment of long-term borrowings as at 31st March, 2014 are as follow:

Particulars	Up to 1 year (Rs. In Lakhs)	2 to 5 years (Rs. In Lakhs)	Above 5 years (Rs. In Lakhs)	Total (Rs. In Lakhs)
Secured loans				
From banks	6,753.25	55,479.68	18,694.53	80,927.46
From financial institution	22.74	17.69	—	40.43
Unsecured loans	98.58	401.44	—	500.02
Total	6,874.57	55,898.81	18,694.53	81,467.91

6 DEFERRED TAX LIABILITIES (NET)

	Increase / (Decrease) (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Deferred Tax Liabilities/(Asset) on account of timing differences:			
Depreciation	1,291.19	3,285.40	1,994.21
Provision for employee benefits	55.14	(266.86)	(322.00)
Provision for doubtful debts	0.69	—	(0.69)
Other statutory dues	(65.78)	(657.77)	(591.99)
Demerger expenses	141.87	—	(141.87)
	1,423.11	2,360.77	937.66

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

7 OTHER LONG-TERM LIABILITIES

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Shop and Other security deposits received	195.90	2,272.90
Advance and deposits for Villa and Development rights	2,686.00	2,906.00
	2,881.90	5,178.90

(a) Shop and Other security deposits received includes Rs. 195.90 Lakhs (Previous Year Rs. 197.90 Lakhs) received as refundable interest free security deposit against leasing of shopping space in Hotel Hyatt Regency, Rs. Nil (Previous Year Rs. 1,075 Lakhs) received as refundable interest free security deposit against leasing of commercial/ office space in Hotel Suites Project and Rs. Nil (Previous Year Rs. 1,000 Lakhs) received as refundable interest free security deposit for parking space in the Hotel Suites Project.

(b) Advances & Deposits for Villa & Development rights represents deposit for development rights and advances and deposits from prospective buyer of Villas constituents forming part of an All Villa Hotel Complex of Leading Hotels Limited, India (a subsidiary).

8 PROVISIONS

	LONG-TERM		SHORT-TERM	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Provision for employee benefits				
Gratuity	395.73	470.57	254.49	234.21
Leave encashment	107.86	195.81	29.75	48.10
Provision for taxation (net of advance income tax)	—	—	279.28	135.32
Proposed dividend on equity shares	—	—	194.53	194.53
Dividend on preference shares	—	—	—	4.90
Corporate dividend tax	—	—	33.06	33.89
	503.59	666.38	791.11	650.95

9 SHORT-TERM BORROWINGS

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
SECURED LOANS		
FROM BANKS		
Term Loans		
- ING Vysya Bank Limited	1,794.58	—
Loans repayable on demand from banks		
Overdraft facilities		
- DBS Bank Limited	2,371.57	2,254.47
- Yes Bank Limited	1,531.60	491.27
- ING Vysya Bank Limited	2,914.72	—
Other Loans and advances from		
Axis Bank	—	5,055.21
UNSECURED LOANS		
Loans and Advances from related parties		
- A Promoter Director	718.21	745.15
- Group Companies	30.28	0.06
Other Loans and advances from		
ING Vysya Bank Limited (carries an interest @ 12.20% per annum)	—	249.42
(Secured by personal guarantee of Chairman & Managing Director and collateral security given by two companies in which Chairman & Managing Director is interested.)		
Others		
- Inter Corporate Loans (carries interest 12.00%-20.00% per annum)	7,200.76	1,455.00
	16,561.72	10,250.58

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (a) ING Vysya Bank Ltd. - Term loan has been secured by Mortgage of land at the interest rate of 12.05% per annum and will be repaid in 9 equal monthly installment starting from 31st October, 2013.
- (b) DBS Bank Limited - Overdraft facilities (carries interest @ 12.00% per annum) and is secured against hypothecation of Inventories of Hotel Hyatt Regency, Delhi.
- (c) Yes Bank Limited - Overdraft facilities (carried interest @ 11.50% per annum) is secured by pledge on shareholding of Chairman & Managing Director, his associates, Asian Holdings Private Limited and other group companies (total 7.2%) in the Company; Exclusive charge by way of equitable mortgage of properties owned by two other companies belong to relatives of Directors; pledge on 30% shareholding of Chairman & Managing Director in RSJ Developers Private Limited; unconditional and irrevocable personal guarantee of Chairman & Managing Director and unconditional, irrevocable corporate guarantee of WEL Intertrade Private Limited and unconditional and irrevocable personal guarantee of Mr Amritesh Jatia, Director.
- (d) ING Vysya Bank Limited - Overdraft facilities (carried interest @ 12.20% per annum) is secured against hypothecation of stocks and book debts of Hotel Hyatt Regency, Delhi.
- (e) Other loans and advances from Axis Bank carried interest @ 13.25% per annum and had been secured by Mortgage of land of Leading Hotels Limited, a subsidiary, at Goa and will be repaid in 3 equal quarterly installment starting from the end of 18th months from the date of first disbursement.
- (f) There is no continuing default in repayment of loans and interest as on 31st March, 2014.

10 TRADE PAYABLES

31st March 2014 31st March 2013
(Rs. In Lakhs) (Rs. In Lakhs)

Trade Payables

- For goods and services*

1,394.26 1,361.55

1,394.26 1,361.55

* includes due to Micro, Small & Medium Enterprises

— —

11 OTHER CURRENT LIABILITIES

31st March 2014 31st March 2013
(Rs. In Lakhs) (Rs. In Lakhs)

Current maturities of long-term borrowings (Refer Note 5)

6,874.57 4,898.94

Interest accrued and due on borrowings

— —

Interest accrued but not due on borrowings

1,176.49 989.74

Unpaid/ Unclaimed Dividend

26.07 44.78

Other Payables

Advance from customers

8,319.35 12,138.21

Payables for capital goods

565.83 560.93

Security deposits (Interest free)

4,501.19 4,431.66

Statutory liabilities

3,593.71 3,207.84

Others

2,613.75 1,759.66

27,670.96 28,031.76

- (a) Advances from customers includes Rs. 7,707.97 Lakhs (Previous Year Rs. 11,500 Lakhs) received from prospective buyers against agreements for sale/ fit outs of certain constituents forming part of the Hotel Suites Project. Out of the above, agreements for sale/ fit outs for Rs. 2,500 Lakhs were cancelled and being refunded in subsequent year.
- (b) Security deposits (interest free) includes Rs. 1,400 Lakhs (Previous Year Rs. 1,400 Lakhs) received from a company in which certain relatives of directors of the Company are interested and Rs. 3,020.00 Lakhs (Previous Year Rs.3,020.00 Lakhs) received from other entities against expression of interest for a Joint Venture with the Company in respect of its KOLKATA PROJECT {Refer Note 13(a)}.
- (c) Statutory liabilities includes provision for difference of property tax along with interest thereon amounting to Rs. 3,121.80 Lakhs, (Previous Year 2,705.28 Lakhs) {Refer Note 26A(b)}.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

12. FIXED ASSETS (Rs. In Lakhs)

Description	GROSS BLOCK						DEPRECIATION/ AMORTISATION/ IMPAIRMENT						NET BLOCK			
	As at 01.04.2013	Additions on account of acquisition as on 29 th January 2013	Additions during the year	Deduction on account of disposal of Subsidiary on 29 th January 2013	Deduc- tions/ Ad- justments during the year	As at 31.03.2014	Upto 31.03.2013	Additions on account of acquisition as on 29 th January 2013	For the year	Deduc- tion on account of sale of Subsidiary on 29 th January 2013	Deduc- tions/ Ad- justments during the year	Impair- ment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013	
Tangible assets																
Land (freehold)	89,126.23	-	3,327.39	-	-	92,453.62	-	-	-	-	-	-	-	-	92,453.62	89,126.23
Buildings	10,707.23	-	22,279.14	-	5,972.04	27,014.33	1,858.84	-	203.09	-	-	-	-	2,061.93	24,952.40	8,848.39
Plant and Equipments	10,876.45	-	3,905.03	-	331.03	14,450.45	4,454.11	-	500.68	-	16.08	-	-	4,938.71	9,511.74	6,422.34
Furniture, Fixtures and Furnishings	5,508.69	-	1,422.23	-	1.96	6,928.96	3,055.99	-	397.99	-	1.91	-	-	3,452.07	3,476.89	2,452.70
Vehicles	1,560.12	-	520.71	-	837.17	1,243.66	902.92	-	118.58	-	583.64	-	-	437.86	805.80	657.20
Total	117,778.72	-	31,454.50	-	7,142.20	142,091.02	10,271.86	-	1,220.34	-	601.63	-	-	10,890.57	131,200.45	107,506.86
Intangible assets																
Softwares	0.00	-	-	-	-	0.00	-	-	-	-	-	-	-	-	0.00	0.00
Goodwill on consolidation	46,779.14	-	6,000.97	-	-	52,780.11	-	-	-	-	-	5,119.60	5,119.60	5,119.60	47,660.51	46,779.14
Total	46,779.14	-	6,000.97	-	-	52,780.11	-	-	-	-	-	5,119.60	5,119.60	5,119.60	47,660.51	46,779.14
Grand Total	164,557.86	-	37,455.47	-	7,142.20	194,871.13	10,271.86	-	1,220.34	-	601.63	5,119.60	16,010.17	178,860.96	154,286.00	
Previous Year	229,360.53	55,107.89	12,214.87	131,953.46	171.97	164,557.86	23,963.03	11.19	3,116.62	16,705.51	113.47	-	10,271.86			
Capital work-in- progress (Refer Note 12A)														14,288.40	35,376.26	
														193,149.36	189,662.26	

(a) The Company, based on the report by a Certified Valuer, had revalued land and building of Hotel Hyatt Regency Delhi (the land and building being more than twenty years old) by adopting Cost of Contractor's method, on 29th February, 2007 at Rs. 85,700 Lakhs. The same resulted in an increase in the value of land and building of an amount of Rs. 82,131.81 Lakhs, and therefore, an equivalent amount had been credited to the Revaluation Reserve.

(b) Due to increase in the value of assets, as stated above, there was an additional charge of Rs. 53.91 Lakhs (Previous Year Rs. 53.91 Lakhs), for the current year, on account of depreciation. Resultantly, an equivalent amount of Rs. 53.91 Lakhs (Previous Year Rs. 53.91 Lakhs) has been withdrawn from the Revaluation Reserve and credited to the statement of profit and loss.

(c) Goodwill on consolidation represents arisen on consolidation, addition/ deletion in value of goodwill represents changes due to exchange rate fluctuations. The Company has carried out an impairment testing of its all assets. Impairment has been provided on goodwill arisen on consolidation amounting to Rs. 5119.60 Lakhs (Previous Year Rs. Nil) as required in terms of Accounting Standard 28 on Impairment of Assets notified by the Companies (Accounting Standard) Rules, 2006.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
(d) Building includes leasehold improvement:		
Gross value	69.86	69.86
Accumulated Depreciation	37.95	27.69
Depreciation charge for the year	10.26	9.44
Net value	31.91	42.17
(e) Vehicles includes those financed:		
Gross value	756.90	409.68
Net value	523.37	319.39
(f) Land -Freehold and Plant & Machinery includes assets relating to the business of generation of electricity (Refer Note 29 on Segment Reporting)		
Land - Freehold		
Gross value	34.00	34.00
Net value	34.00	34.00
Plant & Machinery		
Gross value	1,857.02	1,857.02
Net value	1,268.71	1,366.76
(g) Delhi Development Authority vide Notification No. 2034E dated 12.08.2008 has, subject to fulfillment of certain conditions, granted an additional FSI, which in case of the Company, works out to approx. 15000 square meters. The Company is in the process of utilizing the aforesaid additional FSI partially for expansion of the existing facilities (EXPANSION PROJECT) and the balance as a new Serviced Apartments Block with permitted commercial area (Hotel Suites Project) at Hotel Hyatt Regency Delhi. During the year Hotel Suites Project has been completed and capitalised.		
12A. Capital Work-in-Progress consists of:	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Balance at the beginning of the year	35,376.26	20,019.74
Building under construction	1,187.24	7,411.69
Project Development Expenses (including Project Design, Technical and consultancy fees)	83.55	326.46
Kitchen Equipments	8.13	160.91
Mock up room cost	1.45	6.52
Plumbing and sanitation	37.98	204.01
Air conditioning under installation	148.72	99.09
Generators under installation	9.03	1.65
Elevators under installation and others	102.61	48.18
Furniture and Fixtures	131.51	1,174.39
Fire fighting equipments	48.95	57.08
Office, Housekeeping and other equipments	1.72	35.63
Music, TV and Cinematograph	4.18	47.86
Electrification	72.15	164.82
Expenditure during construction {Refer Note (a) below}	6,546.55	6,623.74
	43,760.03	36,381.77
Less: Capitalised during the year	(29,471.63)	(1,005.51)
Balance at the end of the year	14,288.40	35,376.26

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (a) All other expenses specifically attributable to construction have been accounted for as expenditure during construction. The Group has prepared the following Statement of Expenditure during Construction:

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
STATEMENT OF EXPENDITURE DURING CONSTRUCTION		
Employee benefits expenses	290.50	332.22
Rent	29.77	35.15
Legal and professional charges (Including loan processing and arranging fees)	123.54	121.18
Rates and taxes	0.19	2.22
Site office running expenses	42.69	25.44
Insurance cost	9.60	14.25
Travelling expenses	256.86	625.55
Interest expenses	3,923.88	4,547.64
Depreciation	23.87	14.28
Net loss on foreign currency transaction and translation	1,692.83	695.43
Miscellaneous	152.82	210.38
	6,546.55	6,623.74

- (b) Interest expenses and net loss on foreign currency transaction and translation are related to certain loans (including foreign currency external commercial borrowings) taken for projects under construction.
- (c) The Ministry of Corporate Affairs vide Notification dated March 31, 2009, as amended from time to time, had given an option to the companies whereby the exchange differences pertaining to long-term foreign currency monetary items relating to acquisition of a depreciable asset can be added to or deducted from the cost of asset and shall be depreciated over the balance life of the asset. The Company had adopted the said option given under paragraph 46 of Accounting Standard (AS) 11. Accordingly, the total net loss on foreign currency transaction and translation on long-term foreign currency loans relating to projects under construction is included in capital work-in-progress, as a part of fixed assets.

13 LOANS AND ADVANCES

(Unsecured, considered good)

	NON-CURRENT		CURRENT	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Capital advances	7,491.11	7,693.49	—	—
Security Deposits	96.04	97.26	21.20	14.30
Other loans and advances	—	—	—	—
Advances recoverable in cash or in kind or for value to be received*	15.75	19.79	1,344.98	546.54
Inter Corporate Loans	—	—	0.60	—
Prepaid expenses	33.46	46.92	292.08	399.64
Advance Income Tax (net of provision)	71.52	76.56	—	1.46
Minimum Alternate Tax (MAT) Credit Entitlement	770.70	—	—	—
Service tax recoverable	—	—	0.11	2.24
Value Added Tax (VAT) recoverable	—	—	50.94	45.29
	8,478.58	7,934.02	1,709.91	1,009.47
*includes loans to employees	23.98	23.95	10.29	18.59

- (a) In response to a financial bid made to West Bengal Housing Infrastructure Development Corporation Limited (WBHIDCO), the Company had been offered an allotment of a plot of land measuring six acres (approx.) on freehold basis for setting up of a five star hotel and allied facilities (KOLKATA PROJECT). Capital advances includes Rs. 5,942.57 Lakhs paid against said allotment, which represents 100 % of the total cost of said allotted land. Capital advance also includes Rs. 12.98 Lakhs (Previous Year Rs. Nil) for registration of said land in the name of the Company. Post 31st March 2014, the land has been registered in the name of the Company.

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14 OTHER ASSETS (Unsecured, Considered good)	NON-CURRENT		CURRENT	
	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Interest accrued on fixed deposits with banks	–	8.90	20.85	6.16
Non-current bank balances (Refer Note 17)	–	261.73	–	–
	–	270.63	20.85	6.16
15 INVENTORIES (valued at lower of cost and net realizable value)				
			31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Wines and Liquor			304.92	256.68
Provisions, other beverages and smokes			68.44	92.57
Crockery, cutlery, silverware, linen etc.			137.25	164.91
General stores and spares			100.34	120.12
			610.95	634.28
- As per inventory taken and valued by the Management				
16 TRADE RECEIVABLES (Unsecured)				
			31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Outstanding for a period exceeding six months				
Considered good			135.74	117.01
Considered doubtful			–	2.03
Others				
Considered good			861.00	1,000.91
			996.74	1,119.95
Less: Provision for doubtful debts			–	(2.03)
			996.74	1,117.92
Trade receivables includes:				
- due from Energy Infrastructure (I) Limited, a company in which director of the Company is director			1.23	4.48
- debts related to generation of electricity business (Refer Note 29 on Segment Reporting)			23.57	29.34
17 CASH AND BANK BALANCES				
			31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Cash and Cash Equivalents				
Balances with banks				
In Current Accounts			259.26	276.20
In Deposits with original maturity of less than 3 months*			3,004.35	181.63
Cheques, drafts on hand			39.53	40.59
Cash on hand			31.09	244.53
			3,334.23	742.95
Other Bank Balances				
Balances with banks				
In Unpaid Dividend Accounts #			26.14	44.87
In Deposits with original maturity of more than 3 months but less than 12 months**			212.55	142.58
In Deposits with original maturity of more than 12 months***			–	261.73

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17 CASH AND BANK BALANCES (contd.)	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
	238.69	449.18
Amount disclosed under Non-Current Assets (Note 14)	–	(261.73)
	3,572.92	930.40
# includes excess deposit due to rounding-off of dividend payable on fractional shares	0.07	0.09
* includes given as security deposit to The Assessor & Collector, Municipal Corporation, Mumbai - Octroi	–	39.67
* includes under lien against guarantee given for loan taken by Leading Hotels Limited, a subsidiary	3,000.00	–
** includes as margin money deposit against bank guarantee	–	66.38
** includes as margin money deposit against letter of credits	–	16.00
** includes as margin money deposit against borrowings from banks	212.50	–
*** includes as margin money deposit against bank guarantee	–	47.23
*** includes as margin money deposit against borrowings from banks	–	212.50
18 REVENUE FROM OPERATIONS	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
ROOMS, FOOD, BEVERAGES AND OTHER SERVICES		
Rooms	10,384.92	14,385.23
Wines and liquor	1,958.41	3,796.48
Food, other beverages, smokes & banquets	7,106.51	8,645.47
Communications	72.78	234.83
Others*	3,285.60	5,054.32
	22,808.22	32,116.33
*Includes related to generation of electricity business (Refer Note 29 on Segment Reporting)	242.33	234.10
19 OTHER INCOME	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Interest Received/Receivable		
From banks	217.35	57.65
From others	4.82	32.93
Rent	–	9.70
Dividend received on non - trade investments	0.15	4.18
Excess provisions no longer required written back	176.82	41.13
Credit balances written back	51.36	121.34
Provision for doubtful debts/ advances written back	2.03	51.71
Net gain on Sale of Fixed Assets	2,682.89	–
Net gain on foreign currency transaction and translation (other than considered as finance cost)	2,614.90	2,840.85
Miscellaneous Income	7.64	8.64
	5,757.96	3,168.13

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20 CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
WINES & LIQUOR		
Opening Stock	256.68	413.42
Add : Purchases	658.41	890.90
	<u>915.09</u>	<u>1,304.32</u>
Closing Stock	(304.92)	(256.68)
	<u>610.17</u>	<u>1,047.64</u>
PROVISIONS, OTHER BEVERAGES AND SMOKES		
Opening Stock	92.57	116.86
Add : Purchases	2,302.48	2,776.86
	<u>2,395.05</u>	<u>2,893.72</u>
Closing Stock	(68.44)	(92.57)
	<u>2,326.61</u>	<u>2,801.15</u>
	<u>2,936.78</u>	<u>3,848.79</u>
Percentage of total consumption between:		
Indigenous 77.38% (Previous Year 69.01%)	2,272.47	2,656.21
Imported 22.62% (Previous Year 30.99%)	664.31	1,192.58
21 EMPLOYEE BENEFITS EXPENSES	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Salaries and Wages	4,072.74	6,076.79
Contribution to Provident and other funds	221.71	307.88
Contract labour & services	706.37	1,006.56
Staff welfare expenses*	479.09	684.40
Recruitment and training	58.96	66.78
	<u>5,538.87</u>	<u>8,142.41</u>
* includes :		
Cost of provisions consumed in staff cafeteria	250.29	315.17
Realisation on sale of food coupons to staff	(27.24)	(23.80)
22 OTHER EXPENSES	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
OPERATING, ADMINISTRATION AND GENERAL EXPENSES		
Linen, room, catering and other supplies/services	659.98	901.60
Operating equipment and supplies written off	248.53	253.45
Fuel, power and light (net)	1,621.80	2,531.80
Repairs, maintenance and refurbishing *	901.69	1,181.78
Rent	1.37	0.76
Rates and taxes	878.01	2,403.53
Insurance	105.55	170.62
Data processing charges	121.99	105.27
Directors' sitting fee and Commission	31.02	47.98
Legal and professional charges	328.80	339.77
Payment to the auditors**	50.06	78.66
Artist fee	14.53	53.72

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

22 OTHER EXPENSES (contd.)	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Stationery and printing	99.72	129.92
Travelling and conveyance	358.36	476.85
Guest transportation	301.60	279.55
Communication (including telephones for guests)	164.38	227.13
Technical services	878.45	1,586.99
Advertisement and publicity	443.50	696.96
Commission and brokerage	803.44	836.07
Charity and donations	12.73	1.01
Bad debts / advances written off	54.46	2.85
Loss on fixed assets sold/discarded (net)	—	15.18
Miscellaneous	97.41	451.53
	8,177.38	12,772.98
* includes:		
Repairs to buildings	187.37	287.23
Repairs to machinery	590.17	597.87
**Payments to the auditors for (including service tax)		
Statutory audit	37.99	60.99
Tax audit	5.62	9.86
Limited Review and certification	5.06	5.06
Other Services	1.39	2.75
	50.06	78.66
23 FINANCE COSTS	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Interest expenses	4,186.65	6,064.76
Other borrowing costs (including bank charges)	762.91	530.55
Applicable net loss on foreign currency transactions and translation {Refer Note 2(l) on borrowing costs}	2,406.34	2,032.85
	7,355.90	8,628.16
24 PRIOR PERIOD ITEMS	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Salaries and Wages	0.72	—
Staff welfare expenses	2.51	—
Repair, maintenance and refurbishing	1.83	4.70
Rates and taxes	2.96	2.12
Insurance	0.12	0.07
Data processing charges	—	0.92
Legal and professional expenses	2.23	0.97

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

24 PRIOR PERIOD ITEMS (contd.)	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Communication (including telephones for guests)	0.11	—
Advertisement and publicity	0.59	2.40
Miscellaneous	0.64	3.94
Technical services income	(39.48)	—
Other services income	(0.10)	(3.89)
	(27.87)	11.23
25 EARNING PER EQUITY SHARE	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
Profit/(Loss) for the year	(3,217.13)	6,155.54
Weighted average number of equity shares outstanding	19,453,229	19,453,229
Nominal value per share (in Rupees)	10.00	10.00
Earning /(Loss) Per Equity Share - Basic and Diluted (in Rupees)	(16.54)	31.64
26 CONTINGENT LIABILITIES AND COMMITMENTS	31st March 2014	31st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)
A CONTINGENT LIABILITIES		
(a) Claims against the Group not acknowledged as debts*	495.58	489.96
Includes:		
* includes demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs including penalty demand of Rs. 250.00 Lakhs (Previous Year Rs. 467.96 Lakhs excluding interest and penalties) for earlier years upto 2007, against which the Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal, New Delhi on 11 th March 2014. The Company is contesting to have already paid the determined balance liability before the issuance of show cause notice. Hence the Company may not be liable to pay any demand.		
* includes contingent liability of Rs 53.35 Lakhs on account of payment to a foreign service provider, on which taxes are required to be withheld by the Company, as per the latest order of Assessing Officer. However, during the earlier years the Company was getting NIL withholding tax order for the same. The Company has gone into appeal with appropriate authorities against this order. As per the agreement with the foreign service provider the payments to be made to him shall be without any deduction of taxes, however, if there are any withholding taxes the same are to be borne by the Company. Confident of getting a NIL withholding tax order, the Company has not provided for the expense of the withholding tax amount paid by the Company.		
(b) Municipal Corporation of Delhi introduced a new method for payment of property tax under 'Unit Area Scheme' w.e.f. 1 st April, 2004. The Federation of Hotels and Restaurants Association of India (FHRAI) and the Company filed a writ petition in the High Court of Delhi against the said new method, which is still pending. In terms of the interim order dated 10th September, 2004 passed by the Hon'ble High Court, the Company has been paying a sum of Rs. 54.52 Lakhs per annum based on the Rateable Value method then existing. However, as a matter of abundant caution, based on usage factor of ten, the Company has provided for the difference in property tax as per Unit Area Scheme since introduction of the said new method, alongwith interest thereon.		
(c) Relating to an accident in the hotel premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, the Company has been made one of the respondents. Any consequence on the outcome of the case can not be ascertained.		

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(d) Transactions with related parties:

(Rs. in Lakhs)

Particulars	Key Management Personnel		Companies having significant influence over the Company		Entities controlled by directors or their relatives		Relatives of Key Management Personnel		Total	
	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013
Sale of Services (Room, Food, Beverages and other services)	–	–	–	–	1.90	40.96	–	–	1.90	40.96
Purchase of Services	–	–	–	–	–	16.25	–	–	–	16.25
Remuneration from the Company	149.78	346.27	–	–	–	–	–	–	149.78	346.27
Remuneration from Subsidiaries	–	109.48	–	–	–	–	–	–	–	109.48
Commission to Non-Executive Director from the Company	3.13	9.11	–	–	–	–	1.89	5.00	5.02	14.11
Directors Sitting Fees from the Company	0.84	0.84	–	–	–	–	–	–	0.84	0.84
Sale of Investment in Magus Estates & Hotels Limited to	–	–	–	–	–	53,701.50	–	–	–	53,701.50
Purchase of Investment/ Investments in	–	–	–	–	–	53,701.50	–	–	–	53,701.50
Buy back of shares from	–	–	–	0.11	–	–	–	–	–	0.11
Loan written back payable to	–	–	–	1,076.49	–	–	–	–	–	1,076.49
Professional Charges	–	–	–	–	6.27	9.15	–	–	6.27	9.15
Loan taken from	–	139.62	3.00	–	28.25	0.06	–	–	31.25	139.68
Repayment of Loan	95.18	–	–	–	1.03	209.00	–	–	96.21	209.00
Sale of Capital goods	–	–	–	–	–	0.10	–	–	–	0.10
Purchase of Capital goods	–	–	–	–	–	14.53	–	–	–	14.53
Reimbursement of Expenses by Related Parties	–	–	–	–	–	0.25	–	–	–	0.25
Dividend - Preference Shares	–	–	–	–	–	4.90	–	–	–	4.90
Redemption of NCPS	–	–	–	–	4,410.00	–	–	–	4,410.00	–
Balance Outstanding										
Payables	918.91	991.24	3.12	0.11	1,495.64	5,924.18	1.89	9.50	2,419.56	6,925.03
Receivables	–	–	–	–	109.82	117.37	–	–	109.82	117.37

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 1956, and justification of the rates being charged/ terms thereof and approved the same.
- (ii) Further, the Company had taken a legal advise that in view of the multiplicity of transactions / information, it is not practicable to identify and disclose the food / beverage / room or other sales to the employees / guests of the related parties at any of the outlets of the hotel owned by the Company and such transactions do not require prior approval from Central Government under Section 297 of the Companies Act, 1956.
- (iii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

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(e) Disclosure in respect of related party-wise transactions during the year as follows:

Particulars	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Sale of Services (Room, Food, Beverages and other services)		
- Magus Estates & Hotels Limited (transactions after 28 th Jan., 2013)	—	9.60
- Leading Hotels Limited (transaction upto 28 th Jan. 2013)	—	25.17
- Energy Infrastructure (I) Limited	0.52	0.47
- Bhasin & Co.	1.38	0.26
- Ascent Hotels Private Limited	—	5.46
Purchase of Services		
- Mumbai Broadcasting Company Private Limited	—	16.25
Remuneration from the Company		
- Mr. Shiv Kumar Jatia	149.78	240.11
- Mr. Adarsh Jatia	—	106.16
Remuneration from Subsidiaries		
- Mr. Raj Kumar Jatia	—	71.80
- Mr. Adarsh Jatia	—	37.68
Commission to Non-Executive Director from the Company		
- Mr. Amrutesh Jatia	3.13	5.00
- Mr. Raj Kumar Jatia	—	4.11
- Mr. Ramesh Jatia	1.89	5.00
Directors Sitting Fees from the Company		
- Mr. Amrutesh Jatia	0.84	0.48
- Mr. Raj Kumar Jatia	—	0.36
Sale of Investment in Magus Estates & Hotels Limited to		
- Springleaf Investments Limited	—	53,701.50
Purchase of Investment/ Investments in		
- Springleaf Investments Limited	—	53,701.50
Buy back of shares from		
- Finline Holdings Limited	—	0.11
Loan written back payable to		
- Finline Holdings Limited	—	1,076.49
Professional Charges		
- Bhasin & Co.	6.27	9.15
Loan taken from		
- Amrutesh Jatia	—	27.19
- Mr. Narayanasamy Balasubramanian	—	112.43
- Finline Holdings Limited	3.00	—
- Poly China Trading Limited	13.32	—
- Heyking Limited	5.92	0.06
- RSJ Holdings Limited	9.01	—
Repayment of Loan		
- Amrutesh Jatia	95.18	—
- Amazing Recreation Private Limited	—	209.00
- RSJ Holdings Limited	1.03	—

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Particulars	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
Sale of Capital Goods		
- Ascent Hotels Private Limited	—	0.10
Purchase of Capital Goods		
- Magus Estates & Hotels Limited (transactions after 28 th Jan., 2013)	—	14.53
Reimbursement of Expenses by related parties		
- Leading Hotels Limited (transactions upto 28 th Jan., 2013)	—	0.25
Dividend - Preference Shares		
- Magus Estates & Hotels Limited (transactions after 28 th Jan., 2013)	—	4.90
Redemption of NCPS		
- Magus Estates & Hotels Limited (transactions after 28 th Jan., 2013)	4,410.00	—
Outstanding Payables		
- Mr. Shiv Kumar Jatia	102.75	146.78
- Mr. Adarsh Jatia	81.21	81.21
- Mr. Raj Kumar Jatia	8.61	8.61
- Mr. Amritesh Jatia	602.10	642.21
- Mr. Narayanasamy Balasubramanian	124.24	112.43
- Mr. Ramesh Jatia	1.89	9.50
- Bhasin & Co.	2.11	1.71
- Magus Estates & Hotels Limited	65.65	4,521.75
- Finline Holdings Limited	3.12	0.11
- Heyking Limited	5.98	0.06
- Poly China Trading Limited	13.32	0.06
- RSJ Holdings Limited	7.98	0.06
- Deuchny Properties Limited	0.60	0.54
- Binaguri Tea Company Private Limited	1,400.00	1,400.00
Outstanding Receivables		
- Ascent Hotels Private Limited	27.03	29.05
- Magus Estates & Hotels Limited	81.56	83.84
- Energy Infrastructure (I) Limited	1.23	4.48

28 RESTRUCTURING OF THE GROUP

- (a) Magus Estates & Hotels Limited (Magus) was a subsidiary of the Company through its 53% Mauritian Subsidiary Finline Hospitality & Consultancy Pte Limited (FHCPL). The remaining 47% of FHCPL was held by Finline Holdings Limited (FHL), one of the promoter entities of the Company. FHCPL owned and controlled Magus to the extent of 79.46%. During a project and operational review of its erstwhile subsidiary, Magus, the Board was apprised of the cancellation of the second phase of Magus project due to change in Maharashtra State Policy with regard to FSI available for mixed use projects. Further, in view of the subdued performance of the hospitality industry in general, including Mumbai, and more so of the said subsidiary, the Board apprehended an imminent impairment in the value of Company's investment in its subsidiary FHCPL is necessary, which could have adversely impacted the enterprise value of the Company. To avoid such an eventuality, and to preserve and protect the interest of the minority shareholders, the Promoters suo moto proposed to, and implemented re-arrangement of the underlying assets of FHCPL by substituting Leading Hotels Limited (Leading) for Magus during the previous year.
- (b) During the previous year, on and up to 29th January, 2013, in the process of restructuring of the Group :
- (i) FHCPL has purchased the entire shareholding of Springleaf Investments Limited, Mauritius (Springleaf) from FHL. Further, US\$ 100 Million had been invested into ordinary shares of Springleaf and consequently, Springleaf became wholly own subsidiary of FHCPL. The FHCPL's entire investment in Magus had been sold to Springleaf for US\$ 100 Million. Further, the FHCPL's entire investment in Springleaf had also been swapped with investment {80% shareholding in Lexon Hotel

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Ventures Limited, Mauritius (Lexon)) held by Jaella Asian Holdings Limited, Mauritius, another group company. Hence, Lexon became the subsidiary of FHCPL.

- (ii) Pre-existed accumulated losses in FHCPL, before restructuring, were prohibiting FHCPL from satisfying the Solvency Test, as enshrined in the Companies Act, 2001, as applicable in Mauritius. Therefore, a capital reduction was undertaken to write-off the losses, shared by the two shareholders, namely FHL and the Company, in their respective shareholding ratio on the date of reduction.
- (iii) The loss on sale of investment of Magus amounting to Rs. 43,178.03 Lakhs in the financial statements of the FHCPL was agreed to be charged to FHL through set-off against write-off of loans amounting to Rs. 1,076.49 Lakhs due to FHL and balance through the Business Reorganisation Account to the tune of Rs. 42,101.54 Lakhs as a result of buy back of entire shareholding of FHL for a nominal value.
- (c) Consequent to the re-arrangement mentioned in (a) and (b) above, the Company presently holds 100% interest in FHCPL, which in turn holds 80% stake in Lexon and Lexon in turn holds 99.76% interest in Leading.
- (d) Leading is developing an all Villa Hotel Complex at Goa, including residential villas and an 18 hole, 72 par Championship Golf Course. The said project will be under the management of Four Seasons, a world famed hotel chain and hospitality management company.
- (e) For disclosures of effects on acquisition of subsidiaries on the financial position of the Group as at 31st March, 2013, refer Note 32(B) and (C) and on the date of disposal of subsidiary the shareholders funds were Rs. 16,712.28 Lakhs, total assets were Rs. 70,070.27 Lakhs, total liabilities were Rs. 53,357.99 Lakhs and for operative results refer Note 32 (D).

29 SEGMENT REPORTING

The Company and its subsidiaries operate only in one reportable segment, i.e. Hospitality/Hotel Business. While the Company's hotel is located at New Delhi, its ultimate subsidiary namely, Leading Hotels Limited (Leading) is developing an all Villa Hotel Complex at Goa. Other business segment, i.e. power generation though governed by different set of risks and returns, however, is not a reportable segment as defined under the Accounting Standard (AS)-17 on Segment Reporting, and therefore, no separate disclosures have been made. The assets, liabilities and revenues relating to the said power generation business have, however, been disclosed in the accounts separately. The above treatment is in accordance with the guiding principles enunciated in the said Accounting Standard.

30 EMPLOYEE BENEFITS

The Group has classified the various benefits provided to employees as under:-

- (a) Defined contribution plans

The Group has recognized the following amounts in the statement of profit and loss:

Employers' contribution to provident fund :- Current Year Rs. 205.37 Lakhs (Previous year Rs. 211.74 Lakhs)

- (b) Defined benefit plans

- Contribution to Gratuity funds
- Compensated absences - Earned leave

In accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

Economic Assumptions

The discount rate and salary increases assumed are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 8.50% per annum (Previous Year 8.00% per annum) compound, has been used.

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Group's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

The assumptions used are summarised in the following table:

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013
Discount rate(per annum)	8.50%	8.00%	8.50%	8.00%
Future salary increase	5.00%	7.00%	5.00%	7.00%
Expected rate of return on plan assets	N.A	N.A	N.A	N.A
In service mortality	IALM (2006-08)	IALM (1994-96)	IALM (2006-08)	IALM (1994-96)
Retirement age	58 years	58 years	58 years	58 years
Withdrawal rates				
- Upto 30 years	3.00%	3.00%	3.00%	3.00%
- From 31 to 44 years	2.00%	2.00%	2.00%	2.00%
- Above 44 years	1.00%	1.00%	1.00%	1.00%

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2014	31 st March 2013	31 st March 2014	31 st March 2013
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
1. Expenses recognised in statement of profit and loss				
Current service cost	43.82	50.52	23.89	37.41
Interest cost	56.27	55.33	19.51	19.77
Expected return on plan assets	—	—	—	—
Net actuarial(gain)/loss recognised in the year	(113.32)	(37.87)	(105.32)	(13.47)
Total expenses/ (income)	(13.23)	67.98	(61.92)	43.71
2. Net asset/(liability) recognised				
as at the end of the year				
Present value of defined benefit obligation	650.22	704.78	137.61	243.91
Fair value of plan assets	—	—	—	—
Funded status [surplus/(deficit)]	(650.22)	(704.78)	(137.61)	(243.91)
Net asset/(liability) as at the end of the year	(650.22)	(704.78)	(137.61)	(243.91)
3. Change in the present value of obligation during the year				
Present value of obligation as at the beginning of the year	704.78	749.62	243.91	264.66
Transferred on disposal of subsidiary	—	(57.94)	—	(17.51)
Transferred on acquisition of subsidiary	—	1.23	—	—
Interest cost	56.27	55.33	19.51	19.77
Current service cost	43.82	50.52	23.89	37.41
Benefits paid	(41.33)	(56.11)	(44.38)	(46.95)
Actuarial (gains)/losses on obligation	(113.32)	(37.87)	(105.32)	(13.47)
Present value of obligation as at the end of the year	650.22	704.78	137.61	243.91

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

31 UN-HEDGED FOREIGN CURRENCY EXPOSURE

- (a) Derivatives outstanding as at 31st March, 2014

Particulars

Purpose

Forward contract to buy US\$

US\$ 5,816,502 (Previous Year Nil)

Hedge of future repayment of loans

{Rs. 3,495.71 Lakhs (Previous Year Nil)}

- (b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2014 is as under:

Particulars	31 st March 2014		31 st March 2013	
	Foreign Currency	(Rs. In Lakhs)	Foreign Currency	(Rs. In Lakhs)
Receivables				
(in USD)	1,291,694	776.31	382,403	207.99
(in EURO)	312,441	258.00	159,341	110.81
(in SGD)	243,420	115.90	49,500	21.64
(in GBP)	38,412	38.35	23,141	19.05
(in AED)	217,229	35.35	–	–
Payables				
Trade payables				
(in USD)	1,569,344	943.17	1,186,397	645.27
(in EURO)	11,099	9.17	–	–
(in GBP)	134	0.13	–	–
(in SEK)	28,667	2.67	28,667	2.40
Other Loans and Payables (in USD)	1,322,775	794.99	375,056	203.99
Payable for capital goods (in USD)	105,379	63.33	225,640	122.72
External Commercial Borrowings (ECBs) (in USD)	52,077,177	31,298.28	83,312,430	45,313.05
External Commercial Borrowings (ECBs) (in SGD)	23,688,197	11,278.76	–	–
Interest on ECBs (in USD)	1,186,415	713.03	1,309,204	712.07
Interest on ECBs (in SGD)	5,192	2.47	–	–

- 32 In terms of clause no. (iv) of the circular no. 51/12/2007-CL-III dated 8th February 2011, regarding exemption under Section 212 (8) of the Companies Act, 1956, issued by Ministry of Corporate Affairs, the disclosures in relation to Company's immediate Overseas Subsidiary and its subsidiaries are given below: -

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
(A) Fineline Hospitality & Consultancy Pte Limited, Mauritius		
a) Share Capital	62,797.84	11,445.00
b) Reserves & Surplus	(2,834.77)	(1,843.76)
c) Total Assets	60,113.13	54,446.55
d) Total Liabilities	150.06	44,845.31
e) Investments (excluding investment in subsidiaries)	–	–
f) Turnover	21.98	–
g) Profit/(Loss) before taxation	(802.69)	(2,068.66)
h) Provision for taxation	–	–
i) Profit/(Loss) after taxation	(802.69)	(2,068.66)
j) Proposed Dividend	–	–

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
(B) Lexon Hotel Ventures Limited, Mauritius		
(Refer Note 28)		
a) Share Capital	0.99	0.90
b) Reserves & Surplus	11,696.77	10,568.71
c) Total Assets	12,354.74	11,272.01
d) Total Liabilities	656.98	702.41
e) Investments (excluding investment in subsidiaries)	—	—
f) Turnover	163.89	57.89
g) Profit/(Loss) before taxation	19.12	16.32
h) Provision for taxation	0.57	0.16
i) Profit/(Loss) after taxation	18.55	16.16
j) Proposed Dividend	—	—
(C) Leading Hotels Limited		
(Refer Note 28)		
a) Share Capital	2,087.69	2,087.69
b) Reserves & Surplus	8,230.23	8,300.59
c) Total Assets	20,465.00	18,431.92
d) Total Liabilities	10,147.08	8,043.64
e) Investments (excluding investment in subsidiaries)	—	—
f) Turnover	5.87	3.14
g) Profit/(Loss) before taxation	(70.36)	(17.70)
h) Provision for taxation	—	(6.16)
i) Profit/(Loss) after taxation	(70.36)	(11.54)
j) Proposed Dividend	—	—
(D) Magus Estates & Hotels Limited, India		
(Refer Note 28)		
a) Share Capital	—	—
b) Reserves & Surplus	—	—
c) Total Assets	—	—
d) Total Liabilities	—	—
e) Investments (excluding investment in subsidiaries)	—	—
f) Turnover	—	10,646.81
g) Profit/(Loss) before taxation	—	(3,530.74)
h) Provision for taxation	—	—
i) Profit/(Loss) after taxation	—	(3,530.74)
j) Proposed Dividend	—	—

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	31 st March 2014 (Rs. In Lakhs)	31 st March 2013 (Rs. In Lakhs)
(E) Newtown Hospitality Private Limited, India		
(Acquisition during the year)		
a) Share Capital	1.00	—
b) Reserves & Surplus	(0.19)	—
c) Total Assets	0.85	—
d) Total Liabilities	0.04	—
e) Investments (excluding investment in subsidiaries)	—	—
f) Turnover	—	—
g) Profit/(Loss) before taxation	—	—
h) Provision for taxation	—	—
i) Profit/(Loss) after taxation	—	—
j) Proposed Dividend	—	—

33 OTHER NOTES

- (a) As per the requirement of revised Schedule VI, the Board of Directors have considered the values of all assets of the Group other than fixed assets and non-current investments, and have come to a conclusion that these have a value on realisation in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.

- (b) Previous year's figures

The previous year's figures has been reclassified or regrouped to conform current year's classification/ grouping.

Signature to notes 1 to 33 of Consolidated Financial Statements

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG

Partner

Membership Number: 16920

JYOTI SUBARWAL

President- Finance

& Operations

(Chief Financial Officer)

DINESH C. KOTHARI

Director

DIN : 00195609

SHIV KUMAR JATIA

Chairman & Managing Director

DIN : 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN : 02781300

Place: New Delhi

Dated: 28th May, 2014

Form No. MGT-11**Proxy form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L55101DL1980PLC011037

ASIAN HOTELS (NORTH) LIMITED

Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi – 110066

Tel: 011 66771225/26; Fax: 011 26791033

Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

Name of the member(s):

Registered address:

E- mail ID: Folio No. / DP ID & Client ID:

I/We, being the member(s) of shares of the above named company, hereby appoint:

1. Name : Address :

E-mail Id : Signature : or failing him / her

2. Name : Address :

E-mail Id : Signature : or failing him / her

3. Name : Address :

E-mail Id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual general meeting of the Company, to be held on Tuesday, the 30th September, 2014, at 11.30 a.m. at the Regency Ball Room, Hyatt Regency Delhi, Bhikaiji Cama Place, M. G. Marg, New Delhi-110 066 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Subject matter of the Resolutions		Optional	
			For	Against
Ordinary Business				
1	Adoption of the audited accounts for the year ended 31st March, 2014	OR		
2	Declaration of dividend	OR		
3	Re-appointment of Mr. Amritesh Jatia (DIN: 02781300) who retires by rotation and being eligible, offers himself for re-appointment	OR		
4	Appointment of Auditors	OR		
Special Business				
5	Appointment of Mr. Dinesh Chandra Kothari (DIN: 00195609) as Independent Director	OR		
6	Appointment of Mr. Gautam Ramanlal Diwan (DIN:00001176) as Independent Director	OR		
7	Appointment of Dr. Lalit Bhasin (DIN:00001607) as Independent Director	OR		
8	Appointment of Mr. Priya Shankar Dasgupta (DIN: 00012552) as Independent Director	OR		
9	Appointment of Mr. Dipendra Bharat Goenka (DIN:01969285) as Director	OR		
10	Appointment of Mrs. Archana Jatia (DIN: 00087401) as Director	OR		
11	Payment of remuneration to the non-executive directors	SR		

Signed this.....day of....., 2014

Signature of the shareholder(s)

Signature of the Proxy holder(s)

Affix Re.1/-
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to put an 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details of member(s) before submission.
4. **OR** stands for 'Ordinary Resolution' and **SR** for 'Special Resolution'

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shiv Kumar Jatia

Chairman and Managing Director

Lalit Bhasin

Dinesh Chandra Kothari

Priya Shankar Dasgupta

Gautam Ramanlal Divan

Archana Jatia

Dipendra Bharat Goenka

Amritesh Jatia

CHIEF FINANCIAL OFFICER

Jyoti Subarwal

President Finance & Operations

VICE PRESIDENT (CORP) & COMPANY SECRETARY

Dinesh Kumar Jain

AUDITORS

Mohinder Puri & Company

Chartered Accountants

1A-D, Vandhna

11, Tolstoy Marg

New Delhi - 110 001

BANKERS

DBS Bank Limited

Axis Bank Limited

ING Vysya Bank Limited

IDBI Bank Limited

Yes Bank Limited

REGISTERED OFFICE & INVESTOR RELATIONS DEPARTMENT

Bhikaiji Cama Place

M. G. Marg

New Delhi - 110 066

Tel. No. 91 11 66771225-26

Fax: 91 11 26791033

www.asianhotelsnorth.com

email: investorrelations@ahlnorth.com

REGISTRAR & TRANSFER AGENTS

Karvy Computershare Pvt. Ltd.

17-24, Vittal Rao Nagar,

Madhapur, Hyderabad – 500 081

Tel. No. : 91 40 2342 0818

Toll Free No. : 18003454001

Fax: 91 40 2342 0814

www.karvycomputershare.com

www.karvy.com



Asian Hotels (North) Limited

CIN: L55101DL1980PLC011037

Regd. Office : Bhikaiji Cama Place, M.G. Marg, New Delhi-110 066

Tel. No. : 91 11 66771225-26 Fax : 91 11-2679 1033

Website: www.asianhotelsnorth.com, e-mail id: investorrelations@ahlnorth.com

ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Regd. Office : Bhikaiji Cama Place, M. G. Marg, New Delhi-110066

Tel.: 011 66771225/1226, Fax: 011 26791033

Website: www.asianhotelsnorth.com, e-mail id: investorrelations@ahlnorth.com

ASIAN HOTELS

Admission Slip cum E-voting Advice for 33rd Annual General Meeting

I/We hereby record my/our presence at the 33rd Annual General Meeting of the Company held on Tuesday, the 30th September, 2014, at 11.30 a.m. at the Regency Ball Room, Hyatt Regency Delhi, Bhikaiji Cama Place, M.G.Marg, New Delhi-110066.

Member's Folio/DPID-Client ID Proxy's name, if attending (in block letters) Member's/Proxy's signature

IMPORTANT: This admission slip duly filled in and signed may please be handed over at the entrance of the Meeting Hall. Accompanying children / non-members will not be allowed. Shareholders are requested not to carry any brief-case, carry bag, shopping bag or the like to the venue since these will not be allowed inside for security reasons.

E-voting Advice

Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to exercise their right to vote at the 33rd Annual General Meeting to be held on Tuesday, the 30th September, 2014, through electronic means. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) to provide e-voting facilities. The e-voting facility is available at the link <https://evoting.karvy.com>

Please read the instructions given at Note nos.18 & 19 of the Notice of the 33rd Annual General Meeting carefully before voting electronically. The Log-in Credentials for e-voting are set out below:

EVEN (E-voting event Number)	USER ID	PASSWORD / PIN

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Effective 9.00 a.m. (IST) on 24th September, 2014	Effective 6.00 p.m. (IST) on 26th September, 2014

This e-voting Advice forms part of the Notice dated 8th August, 2014, convening the 33rd Annual General Meeting.

FORM B

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Asian Hotels (North) Limited
2.	Annual financial statements for the year ended	31st March, 2014
3.	Type of Audit qualification	Except for.....
4.	Frequency of qualification	Note 16 – first occurrence Note 17 - Repetitive, since 31 st March, 2011
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Gist of the qualifications:</p> <p>Para 16 of the Annexure to the Auditors' Report – That one term loan taken to fund cash flow mismatch have been utilized to create fixed deposits with a bank amounting to Rs. 3,000 lakhs and has been given as security for loans taken by one of the subsidiaries of the Company.</p> <p>Management's response- That the Company has availed a term loan of Rs. 30 crore and placed it in a fixed deposit as security for a loan availed by Leading Hotels Limited, a subsidiary of the Company as the subsidiary is still at a nascent stage and is trying to tie-up project loans on its own.</p> <p>Para 17 of the Annexure to the Auditors' Report – That no funds raised on short term basis have been used for long term purposes, except the following: Inter-corporate loans (net) taken during the year for repayment of long term loans and interest thereon – Rs. 5,150 lakhs. Besides the above, certain advances and security deposits have also funded the long term uses.</p> <p>Management's response- That due to the expansion project (now complete), the Company temporarily utilized certain short- term funds for repayment of long-term loans and interest thereon to meet the temporary cash flow mismatch. The said short-term loans are being repaid as per respective repayment schedule.</p>



6.	Additional comments from the board/audit committee chair:	The Board of Directors is confident that the Company has adequate arrangements to meet its liabilities in time.
7.	<p>To be signed by-</p> <ul style="list-style-type: none"> • CEO/Managing Director <ul style="list-style-type: none"> • CFO <ul style="list-style-type: none"> • Auditor of the company <ul style="list-style-type: none"> • Audit Committee Chairman 	<p><i>Shiv Kumar</i></p> <p>Shiv Kumar Jatia Chairman & Managing Director DIN 00006187</p> <p><i>Jyoti Subarwal</i></p> <p>Jyoti Subarwal President-Finance & Operations (Chief Financial Officer)</p> <p><i>Vikas Vig</i></p> <p>Vikas Vig Membership No. 16920 Partner, Mohinder Puri & Company Chartered Accountants Firm Regn. No. 000204N</p> <p><i>Lalit Bhasin</i></p> <p>Lalit Bhasin Chairman, Audit Committee Asian Hotels (North) Limited DIN: 00001607</p>